

The Okamura Group
Sustainability Report
2020



OKAMURA

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Corporate Mission

Preparing This Report

The Okamura Group aims to become a company trusted and appreciated by society. By fulfilling our corporate social responsibilities through our business activities, not only do we communicate to a wide range of stakeholders our approach to solving social issues, this report also serves as a communication tool to tie the opinions we hear from customers to improvements.

When preparing this report, we created a chapter for each of the Okamura Group's four sustainability priority issue areas and strove to report on the status of our activities in each of these fields in an easy to understand manner.

We also emphasize the philosophy of the sustainable development goals (SDGs) adopted at the UN Summit, and we have included the SDGs logos with initiatives that contribute to them.

We hope that this report will deepen your understanding of our efforts to promote sustainability at the Okamura Group.

Report summary

Report scope

The Okamura Group consists of 37 companies, and this report primarily covers Okamura Corporation and the following 25 companies.

[Okamura Corporation subsidiaries and associates included in this report and scope of data aggregation]

Notations regarding scope of data aggregation for subsidiaries and associates:

- ◆ Subject to environmental data aggregation for this report

Sales Locations

Hill International Inc.
Td Japan Ltd.
Ichie Co., Ltd.
Okamura (China) Co., Ltd.
Shanghai Okamura Architecture Co., Ltd.
Okamura Trading (Shanghai) Co., Ltd
Okamura Salotto Hong Kong Limited
Okamura International (Singapore) Pte., Ltd.
PT. Okamura Chitose Indonesia
Okamura International Malaysia Sdn. Bhd.
Siam Okamura International Co., Ltd.
Okamura International Vietnam Co., Ltd.

Production Facilities

◆ Kansai Okamura Corporation
◆ NS Okamura Corporation
◆ Sanyo Okamura Corporation
◆ Seeder Co., Ltd.*
FujiSeiko Co., Ltd.
Hangzhou Okamura Transmission Co., Ltd.
Sunahata Co., Ltd.
◆ Siam Okamura Steel Co., Ltd.

Other Service Locations

◆ Okamura Logistics Corporation*
◆ Okamura Support and Service Corporation
SEC Co., Ltd.
FM Solution Corporation
Okamura Business Support Corporation

*Integrated into Okamura Corporation through an absorption-type merger
(July 1, 2020)

Report period

Fiscal 2019 (April 2019–March 2020)

*Details from April 2020 and after are included in the information on our vision and some activities.

Reference guidelines

"Environmental Reporting Guidelines 2018" (Ministry of the Environment)
"Guidance on Social Responsibility; ISO26000:2010" (International Organization for Standardization)

Third-party audit

Environmental performance data have undergone third-party audits continuously since fiscal 2000.

For fiscal 2019, the third-party audit was conducted by Bureau Veritas Japan Co., Ltd.

Indicators subject to audit were as follows.

- Total energy input, emissions of CO₂ from energy sources (→ P. 49, P. 76–80)
- Volume of wastes and emissions, volume of recycled materials, final disposal volume (→ P. 67, P. 76–80)
- Water resource input, total wastewater output, BOD/COD emissions volume (→ P. 76–80)
- Volume of handled substances targeted by PRTR and volume transferred (→ P. 56 and P. 76–80)
- NOx and SOx emissions volume (→ P. 76–80)

Published

July 2020 (Previous report: July 2019)

This report is published each year as an annual report. The English version was published in December 2020 and is a translation of the Japanese version that was published in July 2020.

Notations used in this report

Okamura

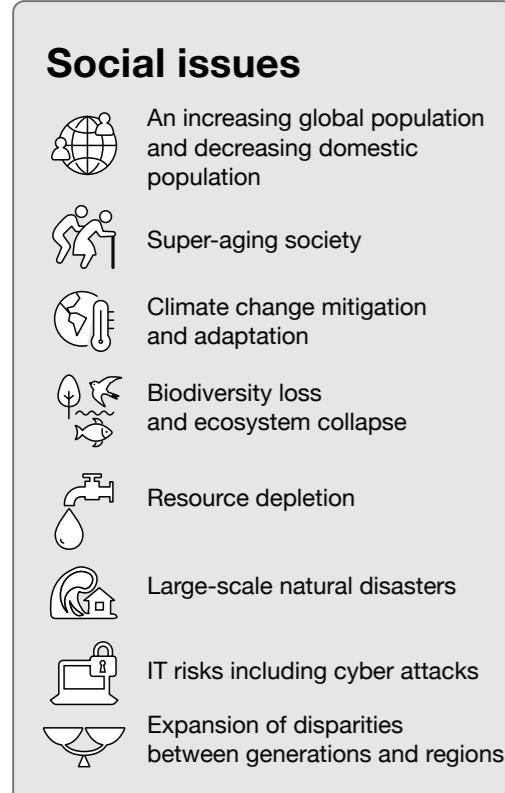
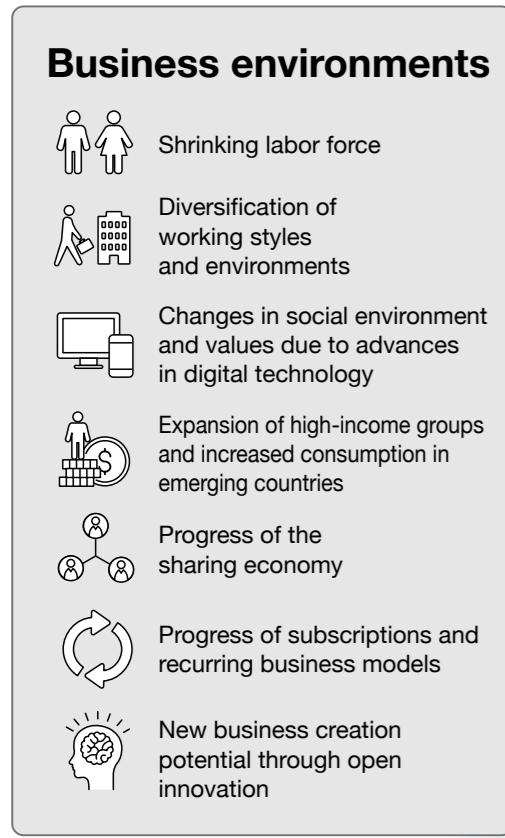
The Okamura Corporation or the Okamura brand

Okamura Group

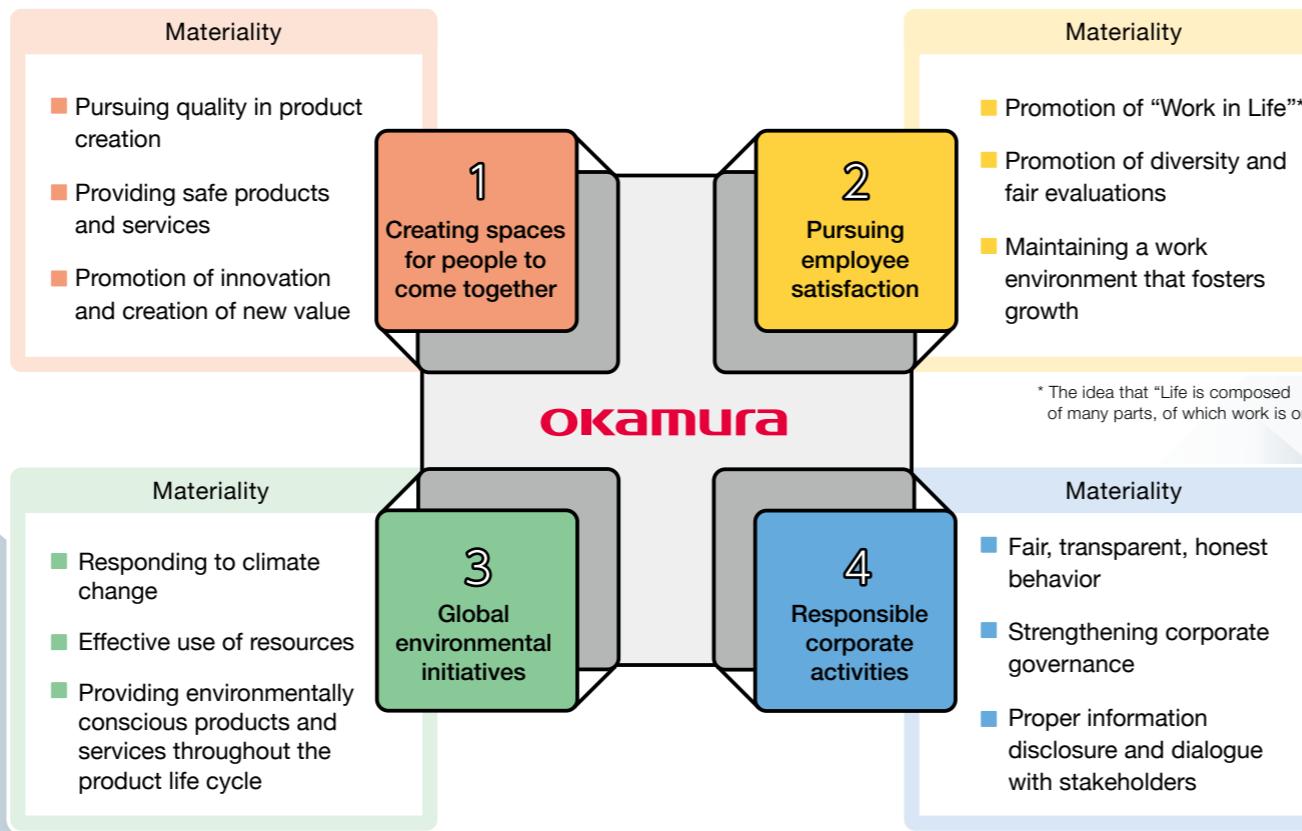
The Okamura Corporation as well as its subsidiaries and associates

The Okamura Group's Value Creation Story

We will continue to create new value in order to fulfill its mission.



The Four Sustainability Priority Issues



Midterm Management Plan

Basic policy

Aim to enhance the corporate value through continued growth and active ESG initiatives by creating new demands, achieving greater operational efficiency, and promoting globalization.

Financial Targets (FY2024) Operating income ratio: **7%** or more ROE: **10%**

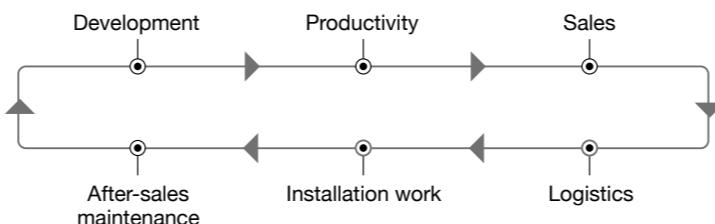
Management Themes

- Supply chain reforms
- Promotion of digital transformation
- Strengthening of overseas business

Office Furniture

Store Displays

Material Handling Systems



Value provided

Mission

We serve society by creating environments for dynamic interaction through innovative ideas and proven quality.

Vision

We aim to become a trusted leading company by continuing to provide high-quality products and services and take on the challenge of creating new value, markets, and trends.

Contribution to SDGs



In agreement with the philosophy of the Sustainable Development Goals (SDGs), international goals set by the United Nations for the realization of a sustainable world by 2030, Okamura will contribute to the achievement of these goals through our business and social contribution activities.

Message from the CEO

We serve society by creating environments for dynamic interaction through innovative ideas and proven quality.

At Okamura Corporation, since our establishment we have provided society with high-quality products and services that precisely address our customers' needs. In April 2018, we pledged to further enhance our corporate value in line with Okamura's mission: "To serve society by creating environments for dynamic interaction through innovative ideas and proven quality."

As society pursues new values in order to preserve (or secure) its sustainability, we consider it important to focus on ESG in its business operations as it strives to achieve sustainable growth. In order to fulfill our mission, we have set the following four priorities to focus on in our operations, taking into account both the future of the younger generations and our own business: (1) Creating spaces for people to come together, (2) Pursuing employee satisfaction, (3) Global environmental initiatives and (4) Responsible corporate activities.

Amidst changes in our social environment, including the ongoing decrease in the working population, spread of work style reforms

and progress of digital technology, we have set targets for five years ahead and formulated a Midterm Management Plan that will come into effect March 2021 in our efforts to achieve these targets. The basic policy of the Midterm Management Plan is to aim to enhance the corporate value aim to enhance the corporate value through continued growth and active ESG initiatives by creating new demands, achieving greater operational efficiency, and promoting globalization. Through this plan, we will work to not only further strengthen our ESG initiatives and contribute to society but also aim to generate continued enhancement of corporate value.

We will push structural reforms to develop products and services that anticipate changes in social and market requirements, promote and achieve the establishment of new business models and ensure that our current operational systems can meet future changes.

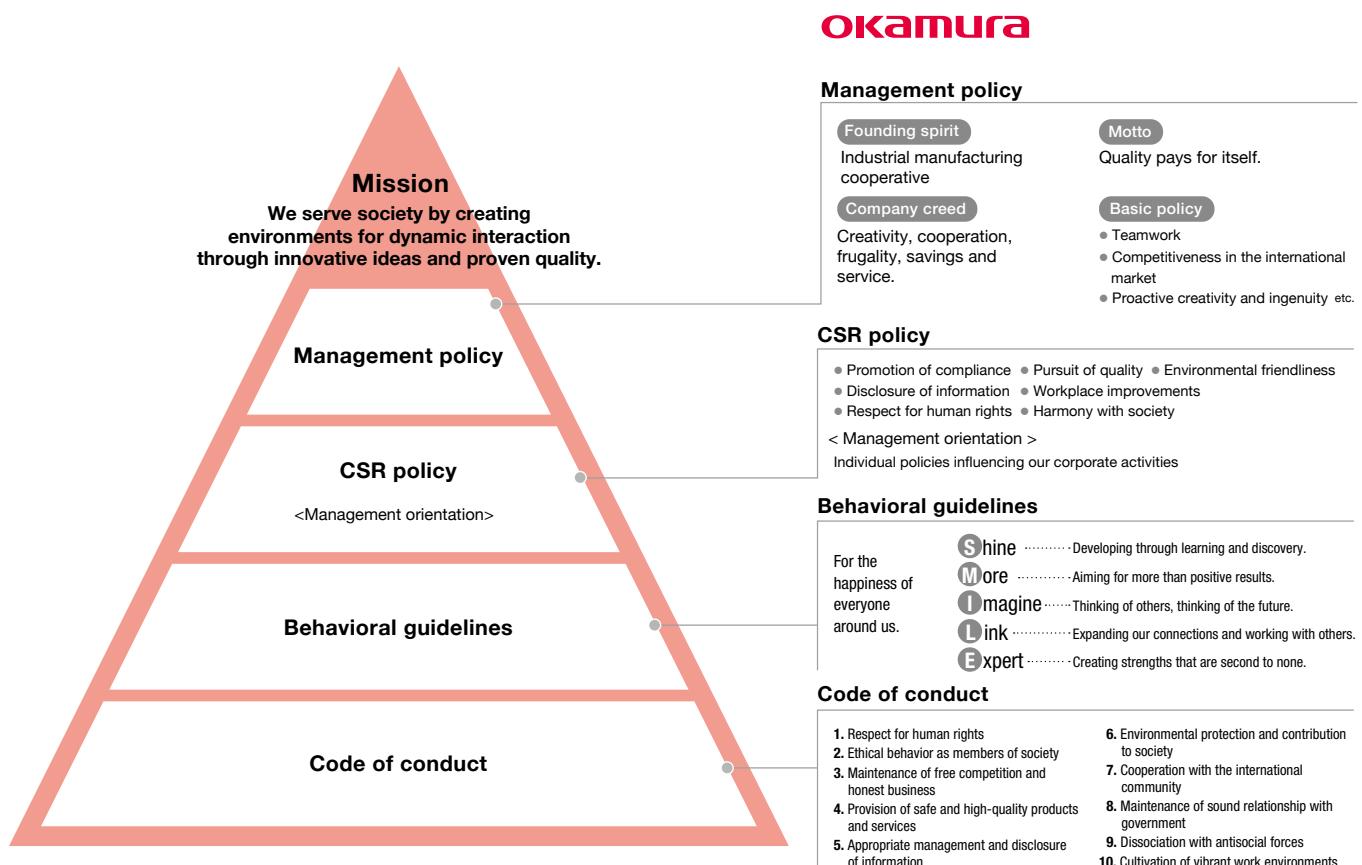
Okamura will continually strive to contribute to society and improve our corporate value.

Representative Director, President and CEO



Promoting Sustainability at the Okamura Group

At Okamura Corporation, our corporate message is to "Set the stage for people." The various activities that we undertake center on creating a stage for life within society, including work and daily life, and always place people at the root of the product and services that Okamura Corporation creates. At Okamura Corporation, our mission is to "serve society by creating environments for dynamic interaction through innovative ideas and proven quality," and we will fulfill our corporate responsibilities to society based on our management policy.



Contribution to SDGs

In agreement with the philosophy of the Sustainable Development Goals (SDGs), international goals set by the United Nations for the realization of a sustainable world by 2030, Okamura will contribute to the achievement of these goals through our business and social contribution activities.



Report content

Responsible Corporate Activities (P.17)



Creating Spaces for People to Come Together (P.35)



Global Environmental Initiatives (P.44)

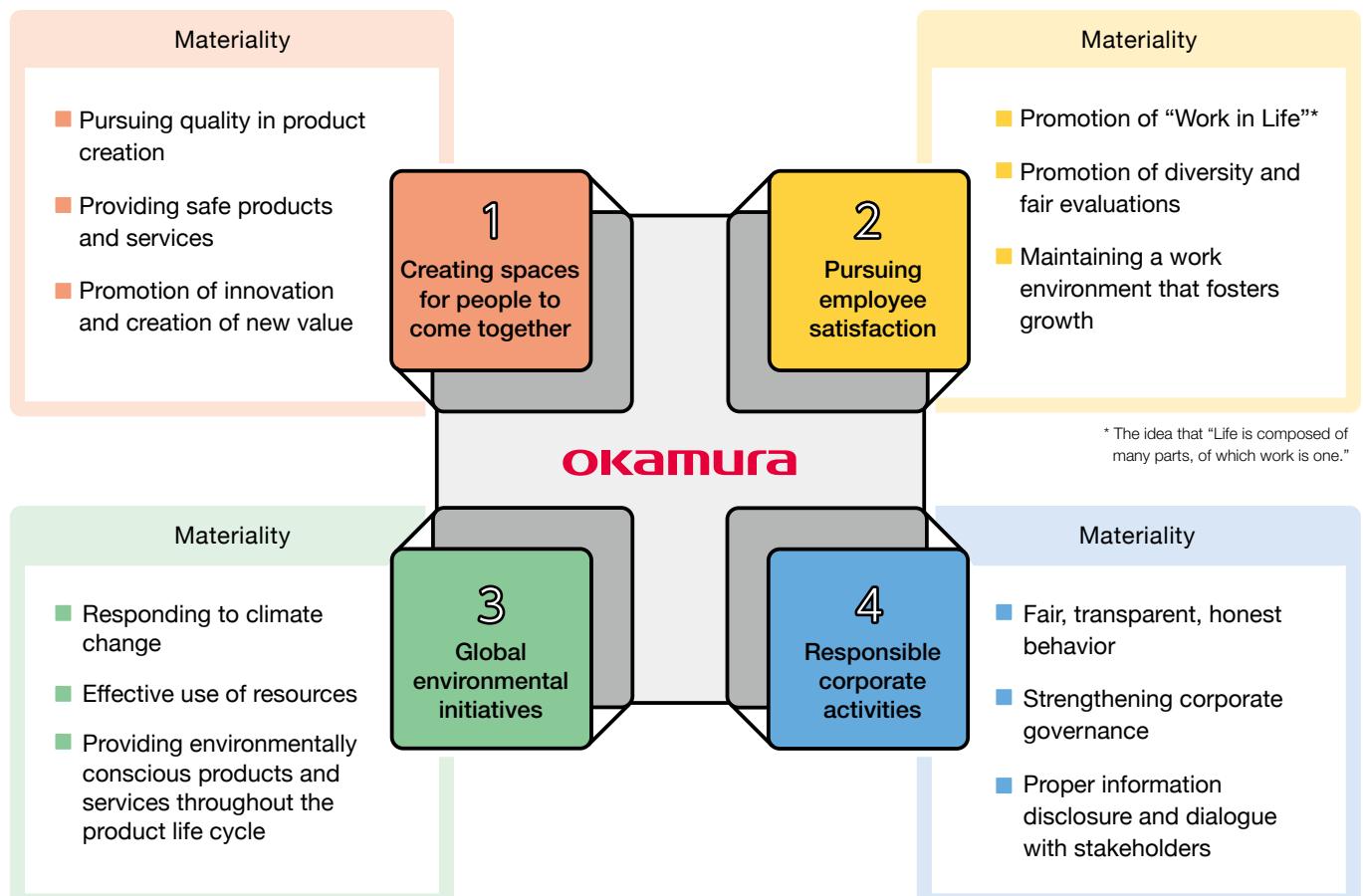


Pursuing Employee Satisfaction (P.67)



The Four Sustainability Priority Issues

To meet the expectations of our stakeholders and society as a whole, Okamura has identified four key areas where we have set priority issues and are promoting activities: (1) Creating spaces for people to come together, (2) Pursuing employee satisfaction, (3) Global environmental initiatives and (4) Responsible corporate activities.

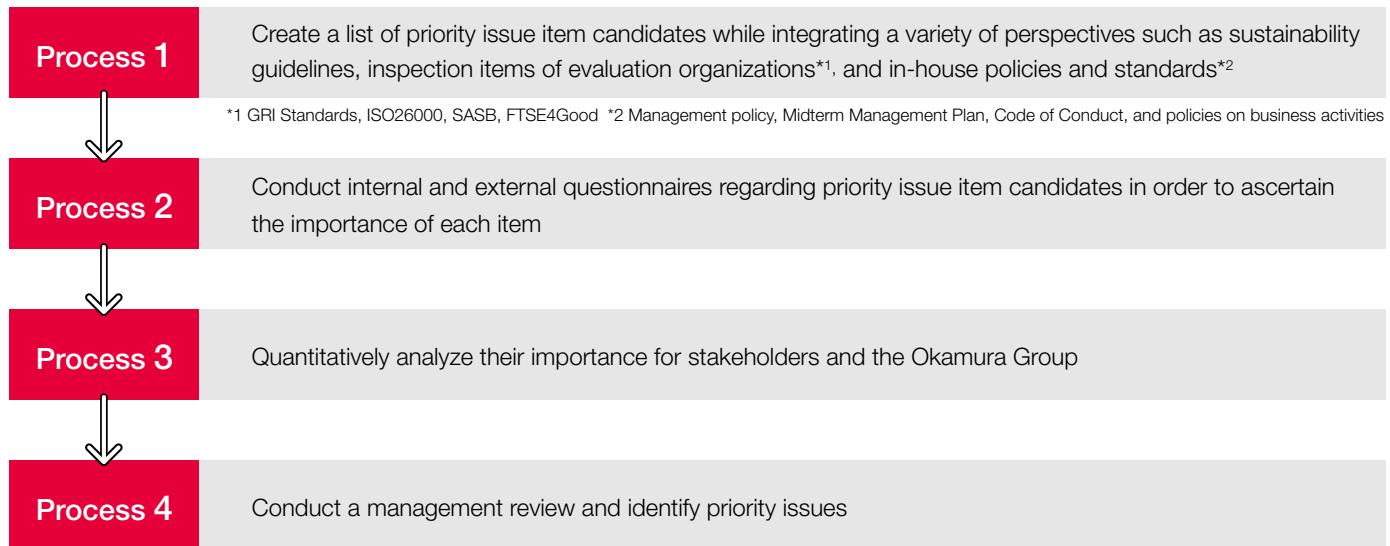


The four sustainability priority issues of the Okamura Group			
1 Creating spaces for people to come together	2 Pursuing employee satisfaction	3 Global environmental initiatives	4 Responsible corporate activities
Through our mission, "We serve society by creating environments for dynamic interaction through innovative ideas and proven quality," Okamura will evolve as a company that creates new value where people come together.	In addition to making our workplaces both healthier and safer, we respect the diversity of our employees and provide them working environments that promote fulfillment in their work and achieving personal growth through cooperation.	We will help create a sustainable society by thoroughly considering the global environment throughout the supply chain of our business activities.	We act as a global company that is trusted and appreciated by society by conducting corporate activities based on legal compliance and a high standard of ethics.

◆ Processes for identifying priority issues

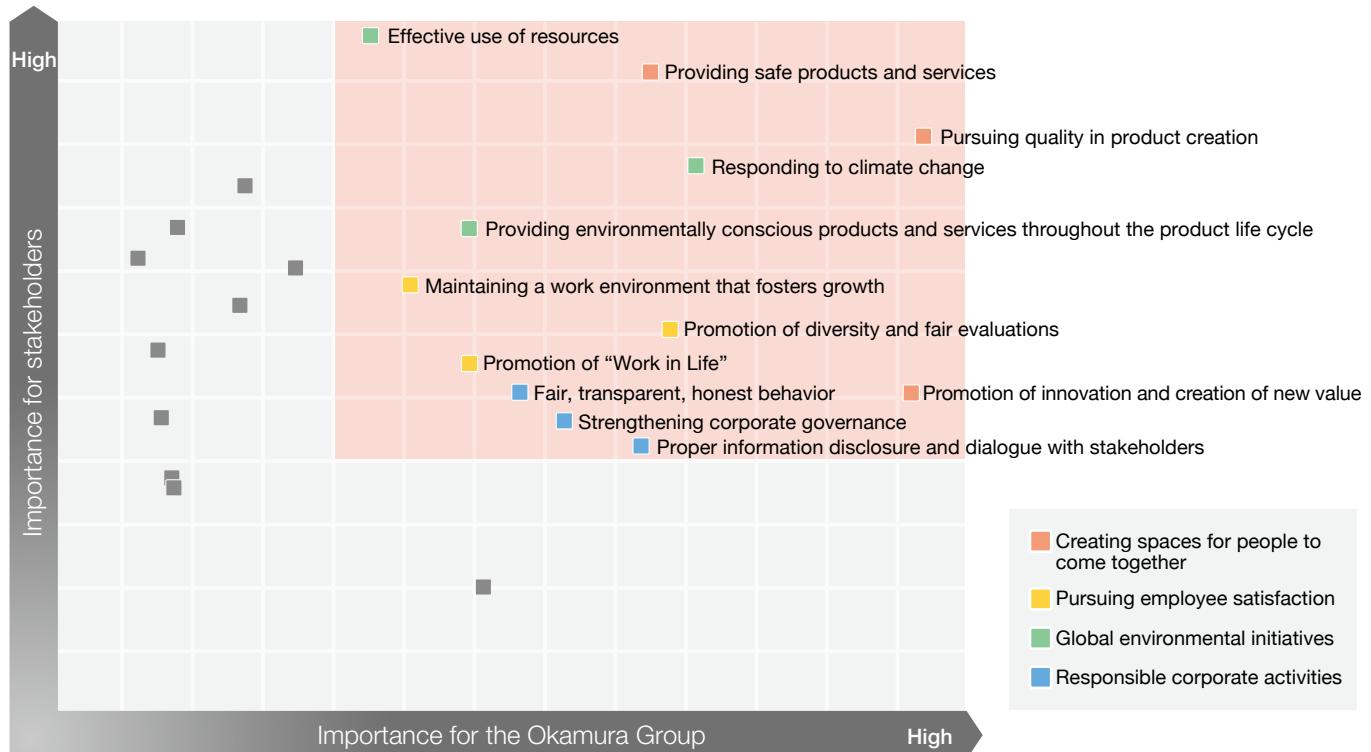
Sustainability priority issues were identified using the following processes to extract issues and analyze their importance. This was followed by a management review.

(Identified in fiscal 2018)



◆ Priority issue map

Priority issues have been clarified by mapping sustainability-related issues on a graph that shows importance of stakeholders on one axis and importance for the Okamura Group on the other.



Sustainability Action Plan



ESG category: S (Social)

CSR Policy 2. Pursuit of quality

We pursue high standards of quality and safety, and provide society with highly creative technologies, products, and services.

Midterm goal (-2022)

Propose and provide products and spaces that offer true value to customers and contribute to the solving of social issues by further driving innovation.

Issue (★ indicates priority issue)	KPI	Fiscal 2020 target	Related SDGs
★ Pursuing quality in product creation	See the Midterm Management Plan (published May 13, 2020, "Announcement of Formulation of the Midterm Management Plan FY2020-2022") (https://www.okamura.com/en_us/investor_relations/disclosure/) • Propose and provide products and spaces that offer true value to society • Innovation generated by Okamura itself. Bring about innovation for the whole of society through spaces with true value * Fiscal 2020 is not managed as a fiscal year		8 9 11 17
★ Promotion of innovation and creation of new value	Number of serious product accidents * Definition of serious product accident Accidents caused by Okamura products that result in serious damage to life or body, and accidents caused by Okamura products that result in serious damage, such as fires, to property other than products.	0	9 11 17
★ Providing safe products and services			9 12



ESG category: S (Social)

CSR Policy 5. Workplace Enhancements

By endeavoring to make our workplaces both healthier and safer, and respecting the diversity of our employees, we aim to create an environment in which every individual feels fulfillment in their work and achieves personal growth through mutual cooperation.

Midterm goal (-2022)

Pursue an environment in which employees can work in a lively manner and implement workplace improvements that make it possible for diverse employees to flourish, change their own awareness and act in a corresponding manner.

Issue (★ indicates priority issue)	KPI ^{*2}	Fiscal 2020 target ^{*2}	Related SDGs
★ Promotion of "Work in Life" "WIL-BE" ^{*1}	Level of understanding of "WIL-BE" and "Work in Life"	Promote initiatives to "exceed 80% by fiscal 2021"	3 8
★ Promotion of diversity and conducting fair evaluations Work Rule ^{*1}	Percentage of female employees	21%	
	Percentage of employees with disabilities	2.30%	
	Number of women in management positions or are candidates for management positions	Promote initiatives to achieve "1.5 times the results of fiscal 2019 by the end of fiscal 2021"	
	Percentage of female new graduate hires	40%	
	Percentage of employees who return to work after taking childcare leave	100% for both men and women	5 8 10
	Number of male employees who take childcare leave	Implement measures that encourage male employees to take childcare leave	
★ Creation of a work environment in which employees can achieve personal growth Human Development ^{*1}	Increasing team and individual performance through mutual understanding • Percentage of new hire instructor interviews conducted • Percentage of development interviews conducted (July and August) • Percentage of goal management interviews conducted (April and October)	Achieve 100% for each item and verify effect through questionnaires	
	Support desire of employees to proactively study • E-learning participation rate • Correspondence education participation rate	Expand e-learning (open courses) and correspondence education (subsidy system available) • 15% of e-learning participants cover all costs themselves • 5% of correspondence education participants cover all costs themselves	4 8
	Open an in-house university in fiscal 2020 where employees can learn their "ideal selves"	Set quantitative targets starting in fiscal 2021 for new initiatives	
Making our workplaces healthier and safer	Paid leave average acquisition rate	70%	
	Regular general health examination uptake rate	100%	
	Stress check uptake rate	100%	
	Percentage of smokers	30%	
	Percentage of persons subject to "active support" or "motivation support" (health examination subjects who are 40 years old or older)	12%, 6%, respectively	3 8
Execution of work through teamwork	Dialogue ^{*3} implementation rate	100%	8

*1 Details → p. 92 *2 Target scope: Okamura Corporation *3 "Dialogue": company-wide initiative to resolve workplace issues and improve the environment via discussions with relevant colleagues.



ESG category:
E (Environmental)

CSR Policy 3. Global environmental initiatives

We will help create a sustainable society through business activities that consider the environment.

Midterm goal (-2022)

We will nurture "Eco seeds" by putting our environmental activities into practice and provide to customers "Eco fruits," our products and services born through these environmental activities. (See p. 48 for details)

Issue (★ indicates priority issue)	KPI	Fiscal 2020 target	Related SDGs
★ Responding to climate change	1-1 Promotion of measures to prevent global warming • Increase energy productivity • Global warming prevention in logistics	Increase energy productivity 1% year on year • Reduce consumption rate at production-related sites • Maintain consumption rate of office-related sites at current levels • Reduce logistics CO ₂ emissions volume	7 13 15
★ Effective use of resources	1-2 Promote resource recycling through resource saving and waste reduction • Increase recycling rate for shipping and installation-related waste • Operational evaluation of manifest digitization • Maintain zero emissions and expand target scope	• Continue to evaluate the recycling rate for disposal companies • Operate digital manifests for installation work-related waste • Maintain zero emissions and expand the scope of delivery centers	6 7 12 14 15
★ Providing environmentally conscious products and services throughout the product life cycle	1-4 Promote environmentally conscious planning and design in product development • Improve product development rate (Green Wave and Green Wave+ product development management) • Improve product environmental information management (update and improve SDS) • Improve precision of assessment management (Review of check items by business area)	• Improve Green Wave and Green Wave+ sales ratios and proposal rates • Improve environmental proposal rates for furniture market for corporate office facilities / office furniture market and stores	6 12 13 14 15
Conserving biodiversity	• Promote sustainable use of forest resources • Actively promote ACORN activities: Implement environmental education and social contribution activities	• Expand use of domestic and local timber • Actively promote ACORN activities	6 13 14 15 17
Preventing environmental pollution	5-1 Measures for pollution prevention and hazardous chemical substances • Compliance with air pollution, water pollution, and soil contamination prevention laws and ordinances • Proper management of high-concentration PCBs and properly treatment of waste that contains mercury • CFC-related facility inspections and leakage management	Manage monitoring items required by laws and ordinances	6 11 14 15 17
	1-3 Reduction of environmental impact • PRTR emissions	PRTR: Reduce per basic unit transfers 1% year on year	

*Numbers taken from Okamura Group environmental targets

**CSR Policy 1. Promotion of compliance**

We will conduct our corporate activities in a fair, transparent, and honest manner, not only through legal compliance as well as preventing corrupt acts, but also acting with a high standard of ethics.

Midterm goal (-2022)

Strive to strengthen governance, information management, and risk management in order to achieve fair, transparent, and honest corporate management with a high standard of ethics.

Issue (★ indicates priority issue)	KPI	Fiscal 2020 target	Related SDGs
★ Fair, transparent, honest behavior	Implementation rate for compliance education conducted at time of hire and for newly appointed executives	100%	5 8 10 16
	Expansion of compliance education	Revise and promote use of Code of Conduct case book	
★ Strengthen corporate governance	Strengthen governance by increasing diversity, independence, and objectivity of the Board of Directors	• Appoint female members of the board • Appoint independent outside directors	5 8 10
	Thorough protection of personal information	100% PrivacyMark internal audit implementation rate	
	Maintain PrivacyMark qualification	100% employee training implementation rate	
Proper information management	Personal information management in line with requirements of various countries	Compliance with EU GDPR	10 16
	Improve and expand emergency stockpiles	100% emergency stockpile deployment rate	
	Emergency call response rate	100%	
Strengthening disaster measures and risk management system	Establish BCP	Review BCP	10 11
	Analyze various risks in the supply chain	Identify high-risk suppliers	
	Activities to spread awareness of CSR Procurement Guidelines	Revise Business Guide	

ESG categories: G, S (Governance, Social)

CSR Policy 4. Disclosure of information

In addition to the timely and proper disclosure of information to our stakeholders, we will work to enhance communication with them and strive to gain their further trust.

Midterm goal (-2022)

We will appropriately disclose information based on laws and ordinances and actively disclose information determined to be important for stakeholders.

Issue (★ indicates priority issue)	KPI	Fiscal 2020 target	Related SDGs
★ Proper information disclosure and dialogue with stakeholders	Conduct stakeholder dialogues	Conduct stakeholder dialogues	16 17

ESG category: G (Governance)

CSR Policy 6. Respect for human rights

We will respect human rights, strive for understanding of individual personalities and diverse cultures, and eliminate discrimination.

Midterm goal (-2022)

We will ascertain human right risks in-house and those related to business, and implement initiatives to reduce these risks.

Issues	KPI	Fiscal 2020 target	Related SDGs
Respect for human rights	Continue to be a signatory of the UN Global Compact	Submit COP (annual report) and be actively involved with related organizations	5 8 10
	Analyze various risks related to human rights	Identify high-risk fields related to human rights	

ESG category: S (Social)

CSR Policy 7. Harmony with society

We will coexist with the regions within which we operate, aim to be a company that grows in tandem with society, and contribute to the realization of a healthier world.

Midterm goal (-2022)

We will conduct social contributions that leverage the knowledge and experience accumulated in our business activities, and conduct initiatives to solve social issues.

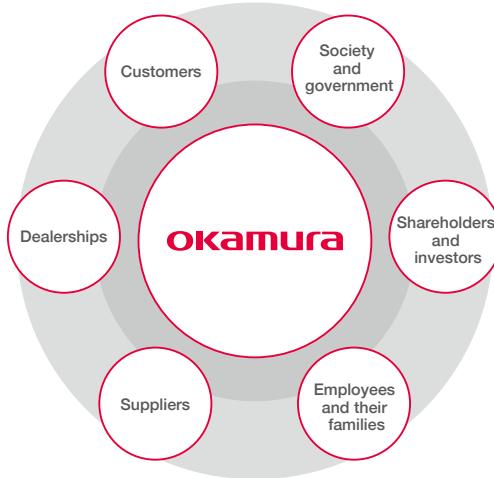
Issues	KPI	Fiscal 2020 target	Related SDGs
Establish good relationships with local communities	Formulate policies relating to social contribution	Formulate policies relating to social contribution	17

ESG category: S (Social)

Stakeholder Engagement

◆ Okamura Group stakeholders

The Okamura Group aims to be a company trusted and appreciated by society by communicating with a wide range stakeholders and linking the opinions and requests of our stakeholders to a variety of initiatives and the enhancing of management.



Stakeholder	Basic stance
Customers	We aim to increase customer satisfaction through the “provision of safe and high-quality products and services.”
Dealerships	We will increase the corporate value of both Okamura and dealerships toward a common goal of maximizing customer satisfaction.
Suppliers	Premised on fair and impartial business with suppliers, we will promote business improvement activities through mutual collaboration as well as procurement activities that emphasize environmental and CSR aspects.
Shareholders and investors	In addition to working to increase shareholder value by expanding business and continually increasing corporate value, we will conduct proper, timely information disclosure and aim for highly transparent management in order to gain even greater trust from shareholders and investors.
Employees and their families	We are moving forward with creating workplaces in which every employee can demonstrate their capabilities to the fullest by emphasizing mutual cooperation between employees and based on a fair labor-management relationship. We will link this to the growth of the company and improving the lives of employees.
Society and government	We actively engage in dialogue and interact with various fields, persons of varied ages, and various related organizations, and work to coexist with society.

◆ CSR Report 2019 questionnaire results

In fiscal 2018, we conducted both internal and external questionnaires, to which we received numerous opinions regarding not only priority issues that the Okamura Group should tackle but also the CSR report. These opinions have been reflected in our initiatives. In fiscal 2019, we confirmed, among other things, the state of utilization of the CSR Report in an employee awareness survey, which is conducted once every three years. This has received a certain level of praise.

We will continue to refer to internal and external opinions going forward and aim to raise the level of our various initiatives.

Okamura Group CSR Awareness Survey	
質問	選択肢
(21) あなたは、「CSR Report 2019」の内容を知っている	     
(22)【(21)でまったくその通り「どちらかといえばその通り」と回答した方】 「CSR Report 2019」で、持続性を持った項目を選びてください。 【あてはまるものすべてに○】	<p>1. トヨタモリージ 2. オカムラのこだわり 3. 特集1:産学連携のパートナーシップでの取り組み 4. 特集2:多様なワーカーが一緒に活躍できる「ウェルルフ」 5. 特集3:オカムラの新たな働き方推進「WL-0E」 6. オカムラグループのCSR 7. CSR情報 8. ウィズアイの追求 9. 地球環境への取り組み 10. よしよし!機能づくり 11. 社員との賛同 12. その他()</p>

◆ How we communicate with various stakeholders and principal examples

Customers	<p>Basic stance</p> <p>Customer satisfaction increases only when the products themselves have superior quality and functions, combined with high quality service. The Okamura Group clearly states the “provision of safe and high-quality products and services” in its Code of Conduct* and aims to provide products and services that lead to increased customer satisfaction.</p> <p>* Code of Conduct: Summarizes the attitude and behavior stance demanded in corporate activities and is based on the Okamura Group Basic Policy (see p. 19 for details)</p>	<p>How we communicate</p> <p>Customer Consultation Office</p> <p>After-sales maintenance (inspections and repairs)</p> <p>Communicating product information Installation examples and publication of information magazines</p>	<p>Principal examples</p> <p>In addition to accurately responding to consultations and requests from customers, we have established a Customer Consultation Office in order to reflect the details of these into our corporate activities. In fiscal 2019, the Customer Consultation Office handled roughly 22,600 inquiries, which were primarily product inquiries, after-sales service requests, and catalog requests.</p> <p>We have established an integrated support system for after-sales maintenance for products purchased by customers. We provide support that extends the life of purchased products, such as maintenance and inspections, repairs and servicing, and cleaning. This is done for a wide range of Okamura products, including office furniture, architectural products in public spaces, and disaster prevention equipment such as flood barriers.</p> <p>We regularly publish catalogs for each field, including furniture market for corporate office facilities, furniture for educational facilities, furniture for healthcare facilities, furniture for R&D facilities, commercial environments, and material handling systems, as well as provide product information appropriate for the business and industry of the customer. In addition, we make catalogs and important information related to product safety and quality widely available through our website.</p> <p>We also publish booklets and information magazines that feature a collection of outstanding installation examples as well as propose the creation of spaces that meet the changing times and customer needs.</p>	
	<p>Basic stance</p> <p>The Okamura Group not only conducts direct sales but also sells products through dealerships in order to meticulously meet the diverse needs of customers. Based on the idea that dealerships are not only partners of Okamura but also our customers, we will work with them to increase mutual corporate value toward the common goal of maximizing customer satisfaction.</p>			
	<p>How we communicate</p> <p>Dealership associations by handled products</p> <p>Various workshops</p> <p>Information website for dealerships</p>			
Dealerships	<p>How we communicate</p> <p>Dealership associations by handled products</p> <p>Various workshops</p>	<p>Principal examples</p> <p>We have created dealership associations for each product handled with the aim of fostering interactions with dealerships and their development. For each dealership association, we work to enhance communication through exchange meetings and other events on both a national and regional level. In addition, we offer awards for outstanding installation examples and performance and link these to improving corporate mindset and taking on new challenges.</p> <p>We hold a wide range of training programs, from business manners education for new employees to several types of training to improve sales skills as well as seminars to train future managers. More specifically, we offer numerous educational opportunities, including catalog workshops, presentation workshops, business manners workshops, and overseas training. We also work to share information and experience by providing support appropriate for the characteristics of each dealership association. These can take the form of correspondence education courses for dealership employees and tours of installation examples.</p>	<p>We have created an information site for dealerships that provides numerous types of information to accurately meet the needs of customers and maximize customer satisfaction.</p>	
	<p>Basic stance</p> <p>The Okamura Group clearly states in its Basic Purchasing Policy its concept that “the fundamental principle of business is free competition, and we will work toward coexistence and mutual prosperity with suppliers based on an equal footing and mutual trust” and created the CSR Procurement Guidelines. Based on this perspective and premised on fair and impartial business with suppliers, we will promote business improvement activities through mutual collaboration as well as procurement activities that emphasize environmental and CSR aspects.</p>	<p>How we communicate</p> <p>Information exchange meetings and technical exchange meetings</p> <p>Regular interviews and visits</p> <p>Electronic network system</p>	<p>Principal examples</p> <p>In order to strengthen our collaborative relationship with suppliers and further mutual development, we have organized cooperation meetings and regularly hold information exchange and technical exchange meetings.</p> <p>In addition to conducting CSR surveys of suppliers that primarily cover the four topics of human rights, working conditions, environmental conservation, and compliance, we regularly visit suppliers and exchange opinions related to quality management and manufacturing technology, which we link to improving the level of quality management for material procurement.</p> <p>In order to meet diversifying customer needs, we share demand forecasts, production plans, and other information using a digital network system that links us to suppliers. This system is helpful in improving customer satisfaction and increasing the efficiency of the overall supply chain.</p>	

Shareholders and investors	How we communicate	Basic stance	We will strive to increase shareholder value by expanding business and continually increasing corporate value. In addition to conducting timely and proper disclosure of information to gain even greater trust from shareholders and investors, we will actively disclose information considered useful for shareholders and investors and aim for highly transparent management by expanding communication through various opportunities.
		General meeting of shareholders	We are working to increase investor and shareholder convenience by posting convocation notices online and introducing a system that will enable the exercising of voting rights via the Internet.
		Financial Results Briefings and facility tours	When announcing earnings, we hold a Financial Results Briefing twice a year, where management provides explanations on earnings details and the Midterm Management Plan. We also strive to conduct a wide range of IR activities, including holding individual meetings with Japanese and overseas investors and analysts (around 100 times a year); conducting tours of production plants, show rooms, and other facilities; and participating in IR conferences held by securities companies.
		Information magazine and website	In addition to the legal requirement for information disclosure, our IR activities include publishing the OKAMURA REPORT, an information magazine for shareholders and investors as well as providing the latest financial and new product information. We have also created an IR section on our website and make efforts to quickly and accurately disclose information.
Employees and their families	How we communicate	Basic stance	At the Okamura Group, we view employees as collaborators as well as being members of a team, and together, we will grow the company. We aim to create even greater results through business activities that emphasize mutual collaboration among employees. We are moving forward with creating workplaces in which every employee can demonstrate their capabilities to the fullest based on a fair labor-management relationship. We will link this to the growth of the company and improving the lives of employees.
		Discussions between labor and management	We strive to build a healthy labor-management relationship by regularly holding joint labor-management meetings and various committee meetings. We formulated our Health and Productivity Declaration in September 2017 based on the Occupational Safety and Health Policy in order to promote health and productivity and revised the declaration on April 1, 2020 in order to strengthen such activities.
		Initiatives to realize employee "Work in Life"	In order to realize "Work in Life" that the Okamura Corporation proposes, we are also focusing on building and operating various systems and strive to create a safe workplace that is rewarding and easy to work in for every employee.
		Activities to promote diversity and inclusion	We strive to offer employment and a work environment based on our Diversity and Inclusion Policy. We have implemented various measures so that each employee can play an active role, such as launching the Diversity Promotion Project (informally known as the Sodateru Project) in August 2016 and opening the Diversity Promotion Office in April 2018.
Society and government	How we communicate	Basic stance	We actively engage in dialogue and exchange with local residents, government agencies, companies, organizations, and the younger generation that will support society in the future.
		Relationship with local communities	We strive to conduct exchanges and social contributions through participation in social and environmental activities in each region as well as production plant tours and other means.
		Activities targeting society	Leveraging the knowledge and experience we have accumulated through our business activities, we contribute to the creation of a sustainable society through efforts such as developing human resources and providing information and spaces for solving social issues.

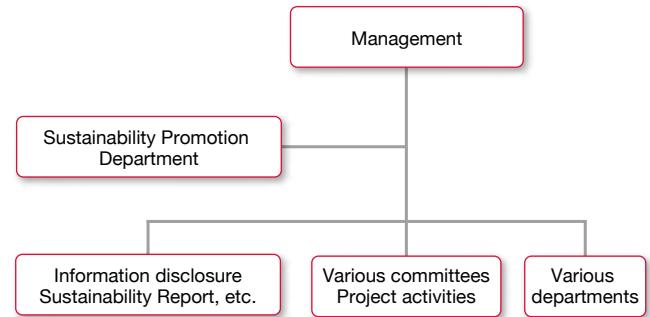
Sustainability promotion system

At the Okamura Group, we have established a Sustainability Promotion Department in order to promote sustainability activities in a more systematic and planned manner.

The Sustainability Promotion Department reports on annual plans and activity results to management, spreads activities to the various business departments through various committees after obtaining approval, and regularly conducts follow ups.

In addition, it gathers information on the activity details of the various business departments through various committees and discloses information via sustainability reports and other material.

Sustainability promotion system diagram



◆ Sharing examples of in-house contributions to SDGs through CSR promotion projects

For CSR Promotion Projects, we hold project and subcommittee meetings according to the field in which initiatives are undertaken and theme. In January 2020, responsible staff explained issues such as the process from the product development planning stage to prototyping and mass production and how difficulties were overcome, and based on this, project members discussed initiatives that contribute to SDGs, business opportunities, and issues when moving forward with the initiatives. This was one example of how the Okamura Group contributes to the SDGs through its initiatives.



Project meeting

Participation in external initiatives

We participate in various initiatives related to resolving environmental, social, and economic issues.

◆ UN Global Compact

The UN Global Compact advocated by the United Nations is an international initiative to realize a sustainable society. Okamura Corporation has signed the compact and was registered as a participating company in February 2020.

As for the Ten Principles of the Global Compact in the four fields of Human Rights, Labour, Environment, and Anti-Corruption, we actively undertake related initiatives and report on the state of these initiatives and their results to the UN once a year.

WE SUPPORT



◆ Japan Climate Initiative (JCI)

The Japan Climate Initiative is a network of organizations to strengthen the provision of information and sharing of opinions among members, which include companies, government agencies, NGOs, and other entities actively working to combat climate change. Okamura Corporation joined in December 2019.

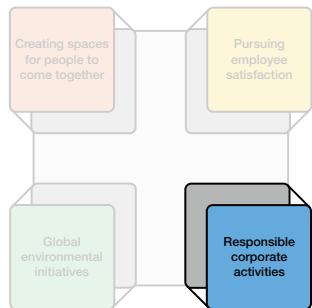


ISO26000 Comparison Table

*Please see the top page of each chapter for the relevant SDGs.

Core subjects	Issues	Item
Organizational governance		Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Corporate Governance (20) Risk Management (22) Promotion of Compliance (25) Respect for Human Rights (28) Disclosure of Information and Social Assessment (XX) Environmental Management at the Okamura Group (47) Employee Satisfaction for All (67) Third Party Opinions and Assessment Reports (72) History of Sustainability Activities at the Okamura Group (XX) Data (73)
Human rights	1. Due diligence 2. Human rights risk situations 3. Avoidance of complicity 4. Resolving grievances 5. Discrimination and vulnerable groups 6. Civil and political rights 7. Economic, social and cultural rights 8. Fundamental principles and rights at work	Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Risk Management (22) Promotion of Compliance (25) Respect for Human Rights (28) Disclosure of Information and Social Assessment (XX) Pursuing Quality in Product Development (36) Promoting Diversity and Inclusion (69)
Labor practices	1. Employment and employment relationships 2. Conditions of work and social protection 3. Social dialogue 4. Health and safety at work 5. Human development and training in the workplace	Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Risk Management (22) Promoting Compliance (25) Disclosure and Society's Assessment (XX) Thorough Quality Management (41) Human Resources Development That Supports Manufacturing (43) Employee Satisfaction for All (67) Initiatives to Achieve "Work in Life" for Employees (XX) Promoting Diversity and Inclusion (69) Human Resources Development (70) Health and Productivity & Occupational Safety and Health (71)
The environment	1. Prevention of pollution 2. Sustainable resource use 3. Climate change mitigation and adaptation 4. Protection of the environment, biodiversity and restoration of natural habitats	Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Pursuing Quality in Product Development (36) Pursuing Quality When Creating Spaces (XX) Okamura Group's Approach Toward the Environment (XX) Environmental Management at the Okamura Group (47) Fiscal 2019 Environmental Activities Results and Setting of Fiscal 2020 Targets (48) Business Activities and Environmental Impact (XX) Responding to Climate Change (49) Resource Saving and Resource Recycling (52) Managing Chemical Substances and Preventing Pollution (56) Conserving Biodiversity and Use of Timber—ACORN Activities (57) Environmental Considerations in Products and Services (60) Environmental Education and Awareness-Raising Activities (63) Environmental Communication (XX) Environmental Efficiency (64) Environmental Accounting (65) Data (73)
Fair operating practices	1. Anti-corruption 2. Responsible political involvement 3. Fair competition 4. Promoting social responsibility in the value chain 5. Respect for property rights	Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Corporate Governance (20) Promotion of Compliance (25) Respect for Human Rights (28) Disclosure of Information and Social Assessment (XX) Environmental Communication (XX)
Consumer issues	1. Fair marketing, factual and unbiased information and fair contractual practices 2. Protecting consumers' health and safety 3. Sustainable consumption 4. Consumer service, support, and complaint and dispute resolution 5. Consumer data protection and privacy 6. Access to essential services 7. Education and awareness	Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Risk Management (22) Disclosure of Information and Social Assessment (XX) Pursuing Quality in Product Development (36) Pursuing Quality When Creating Spaces (40) Thorough Quality Management (41) Okamura Group's Approach Toward the Environment (44) Conserving Biodiversity and Use of Timber—ACORN Activities (57) Environmental Considerations in Products and Services (60)
Community involvement and development	1. Community involvement 2. Education and culture 3. Employment creation and skills development 4. Technology development and access 5. Wealth and income creation 6. Health 7. Social investment	Message from the CEO (5) Promoting Sustainability at the Okamura Group (6) Disclosure of Information and Social Assessment (XX) Conserving Biodiversity and Use of Timber—ACORN Activities (57) Relationships with Local Communities (XX) Activities for Society (XX) Data (73))

Responsible Corporate Activities



Responsible Corporate Activities

We aim to be a global company that is trusted and appreciated by society by conducting corporate activities based on legal compliance and a high standard of ethics.

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Promoting Corporate Activities Based on the Okamura Group CSR Policy	18
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Relationship with Local Communities	29
Activities for Society	32

Contribution to SDGs



A Global Company Trusted and Appreciated by Society

Okamura's founding spirit is still alive today in the five principles of the company's creativity, cooperation, frugality, savings and service. Our "Basic Policy" takes all these principles into account. The Okamura Group recognizes the importance of the social, environmental and economic aspects of its business activities, and conducts management activities to fulfill the Group's corporate social responsibility. We actively engage in dialogue and exchange with local residents, government agencies, companies, organization and the younger generation that will support society in the future. We ensure that the resulting connections and experience are reflected in our business activities and efforts to contribute to society.

Responsible Corporate Activities

Promoting Corporate Activities Based on the Okamura Group CSR Policy

In March 2010, we formulated the Okamura Group CSR Policy based on the Basic Policy of our founding by organizing the various CSR activities that the Group has traditionally undertaken. Taking into consideration changes in the demands from society, it was revised in April 2014. We conduct our corporate activities based on the seven pillars of promotion of compliance, pursuit of quality, environmental friendliness, disclosure of information, workplace improvements, respect for human rights, and harmony with society.

Okamura Group CSR Policies

Through the products and services that we provide to individuals and society as a whole, the Okamura Group aims to be a global company that is trusted and appreciated by society.

1. Promotion of compliance

To ensure that our business activities are conducted in a fair, transparent, and sincere manner, we fully comply with all legal requirements, strive to prevent corrupt practices, and act according to the highest ethical standards.

2. Pursuit of quality

We pursue high standards of quality and safety and provide society with creative technologies, products and services.

3. Environmental friendliness

We are mindful of the environment in all aspects of our business so as to contribute to the creation of a more sustainable society.

4. Disclosure of information

We always strive to maintain the trust of our stakeholders by disclosing information in a timely and appropriate fashion, while at the same time enhancing our communication with them.

5. Workplace improvements

In addition to endeavoring to make our workplaces both healthier and safer, we respect diversity of employees and aim to provide the individual employees with working environments that will allow them to find fulfillment in their work and to achieve personal growth while cooperating with one another.

6. Respect for human rights

We shall promote respect for human rights and eliminate prejudice and discrimination while working to understand differences between individuals and cultures.

7. Harmony with society

We promote respect for human rights and will not tolerate prejudice and discrimination while working to understand individual and cultural diversity.

Established: March 2010

Revised: April 2014

Responsible Corporate Activities

Thorough compliance with the Code of Conduct by the Group as a whole

The Okamura Group has compiled our approach, which is based on our Basic Policy and reflects our founding spirit, the values of civil society and the business world, and the mindset and stance regarding our actions demanded in corporate activities, as our Code of Conduct. The Code clarifies matters that all employees should engage in on a daily basis. Our Code of Conduct was revised in April 2014 to reflect changes in the demands of society.

A summary of the Code of Conduct has been translated into English and Chinese. By distributing the Code to employees at overseas branches and local subsidiaries, Okamura encourages responsible actions by all Group employees, including those overseas.

Okamura Group Code of Conduct

http://www.okamura.co.jp/company/csr/pdf/K_standard.pdf



Code of Conduct
Handbook

Code of Conduct

Striving to be a global company that is trusted and appreciated by society, we, the members of the Okamura Group, join hands to constantly generate new value and provide better products and services so as to contribute to growth of economic society through fair competition and play a positive role in society. With this in mind, all of us, the officers and employees of the Okamura Group, pledge to act with respect for human rights and in accordance with social decency, which includes not only legal compliance but also a high sense of ethics, in both domestic and international business based on the following basic principles of behavior.

1. Respect for human rights
2. Ethical behavior as members of society
3. Maintenance of free competition and honest business
4. Provision of safe and high-quality products and services
5. Appropriate management and disclosure of information
6. Environmental protection and contribution to society
7. Cooperation with the international community
8. Maintenance of sound relationship with government
9. Dissociation with antisocial forces
10. Cultivation of vibrant work environments

(Excerpt from Code of Conduct Handbook)

Responsible Corporate Activities

Corporate Governance

In order for Okamura to continue to be a company that is trusted and appreciated by stakeholders, we must always conduct sound and transparent management.

At the Okamura Group, we consider strengthening corporate governance^{*1} one of the highest priority management issues, and we strive to strengthen our group management structure, work to further enhance relations with stakeholders, and pursue maximization of our corporate value. At Okamura, we also strive to improve the effectiveness of our corporate governance and transparency of management by conducting disclosures based on the Corporate Governance Code^{*2} in the Corporate Governance Report submitted to the Tokyo Stock Exchange and by disclosing our Corporate Governance Guidelines and criteria for determining independence of outside board members on our website.

*1 Corporate governance: A mechanism to ensure the effectiveness and legal compliance of management and the sound operation of the company.

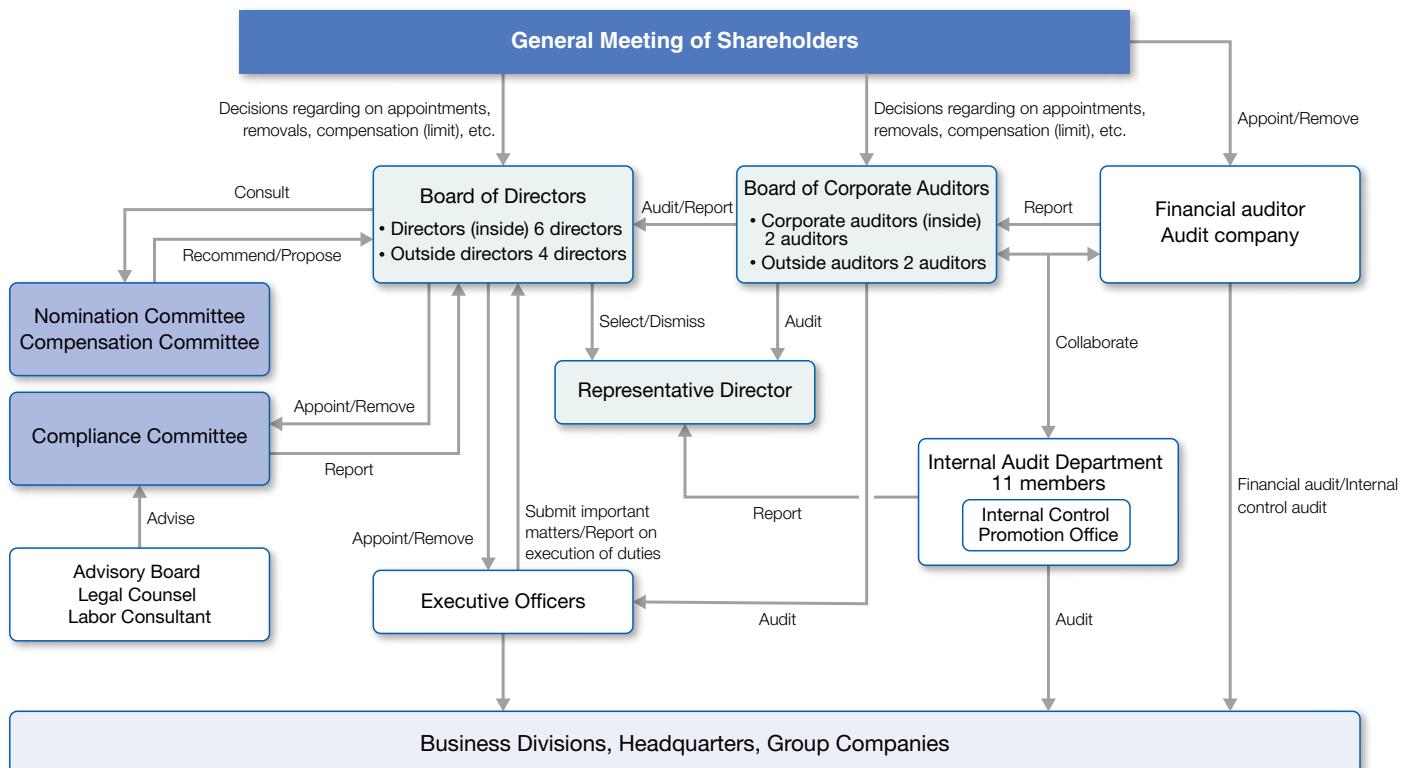
*2 Corporate Governance Code: Consists of 78 principles stipulated by the Tokyo Stock Exchange in order to realize effective corporate governance.

Corporate governance system

Okamura has introduced an executive officer system for the purpose of ensuring flexibility of management and to enhance the monitoring functions of the Board of Directors. Its main role is to create a system in which executive officers execute operations based on the instructions of the representative director, and for the Board of Directors to conduct decision-making on matters important for management and to monitor the execution of operations. In addition to appointing outside directors to the Board of Directors, by establishing a nomination committee and compensation committee, chaired by independent outside directors, as arbitrary advisory bodies to the Board of Directors,

we ensure the objectivity and transparency of the appointment process for board members and executive officers, as well as the determination process for compensation and other matters. Segregation of Duty Rules and Job Authority Rules stipulate the duties and authority of each position and ensure appropriate and efficient execution of duties. The Board of Directors is composed of ten directors, four of whom are outside directors. Furthermore, Okamura has a board of corporate auditors that conduct strict audits of the execution of duties by directors and executive officers. Our board of corporate auditors is composed of four auditors, two of whom are external.

Corporate governance system (as of June 26, 2020)



Responsible Corporate Activities

Audits by corporate auditors

Our corporate auditors check whether directors are executing their duties properly by meetings of our Board of Directors and viewing high level approval documents.

◆ Collaboration with accounting auditors

Corporate auditors not only receive reports on various matters, including a summary of audit plans from accounting auditors, priority audit items, audit results, state of internal control systems, and risk assessments, but also work closely together, such as by exchanging opinions. They also are present at on-site inspections by accounting auditors and audit reviews as well as request audit progress reports from accounting auditors when appropriate.

◆ Collaboration with the internal audit department

Corporate auditors conduct internal audits regarding legal compliance and assessment of internal control systems by working in collaboration with our Internal Audit Department. If deemed necessary by corporate auditors, the system is one where the Internal Audit Department can be requested to conduct audit operations that should be implemented.

Initiatives for internal controls relating to financial reports

The Financial Instruments and Exchange Act requires that companies establish a system to ensure internal controls related to financial reports, assessments of the system by managers, and independent audits of the system. In response to this obligation for an internal control report system, the Okamura Group has established the Internal Control Promotion Office within the Internal Audit Department, with this office being responsible for these assessments. The office maintains and promotes internal controls to ensure the reliability of financial reports and conducts operations to improve the effectiveness and efficiency of operations as well as

preserve assets.

In addition, a process owner system* has been introduced to clarify responsibilities and roles for designing, establishing, operating, and maintaining the operational processes of each department, as well as to maintain and improve the effectiveness of internal controls related to operations (application controls).

*Process owner system: A management system that assigns responsibility and authority for each operational process by stipulating the owner of each process.

Elimination of antisocial forces

The Okamura Group clearly states in our Code of Conduct and Basic Approach Regarding Internal Controls that we are resolutely opposed to and will dissociate from antisocial forces and organizations that threaten order and people's safety. We have stipulated the department responsible for handling matters related to antisocial forces, and we collect and manage related information as well as conduct employee education.

Responsible Corporate Activities

Risk Management

Based on the Basic Approach Regarding Internal Controls, Okamura envisions various risks related to corporate activities and implements necessary measures.

As for the main business operation risks, such as financial, legal, disaster, environmental, quality, and information security risks, each responsible department creates and distributes rules, guidelines, and manuals as necessary so that if such a situation were to occur, it can be handled appropriately and quickly. If situations not covered by these rules, guidelines, and manuals occur, a mechanism is in place where a director is promptly put in charge of handling the situation and the response is based on their orders.

Strengthening disaster response

In order for all employees to act properly when a disaster strikes, as well to ensure their safety and minimize the impact on business activities, the Okamura Group implements comprehensive

measures, including distributing and spreading awareness of related manuals, establishing emergency information systems, storing emergency stockpiles, and conducting training.

◆ Distributing the Disaster Response Manual

The Okamura Group provides all of its employees with a copy of the Disaster Response Manual in order to strengthen its response to disasters. The manual is revised when necessary to reflect current knowledge regarding disaster response and the demands of society. We are currently working to spread awareness of the Disaster Response Manual Vol. 3, which was created in March 2016.

The manual includes the basic stance and behavioral guidelines in the case of a disaster as well as a systematic list of actions that managers and employees should take, such as preparations that should be made during non-emergency times. The manual includes the basic stance and behavioral guidelines in the case of a disaster as well as a systematic list of actions that managers and employees should take, such as preparations that should be made during non-emergency. It also clarifies the criteria for deciding whether to continue or suspend operations and whether employees should return home or remain in the workplace.

In addition to indicating criteria for storing and distributing emergency stockpiles at workplaces, it includes information such as how to contact families when a disaster strikes, and explains how to quickly confirm the safety of employees.

Education through e-learning for all employees is being conducted in order to spread awareness of the content of the manual throughout the company.



Disaster Response Manual
Vol. 3

◆ Establishing a safety confirmation system

We have established a safety confirmation system that makes it possible to quickly confirm the safety of employees when a disaster strikes. When an earthquake of seismic intensity of "6 Lower" or greater ("5 Upper" or greater for the Tokyo metropolitan area) hits, employees in the impacted areas are contacted by email or phone to confirm their safety. Until recently, Okamura used an automated transmission system so the head office could confirm employee safety at once. However, considering the damage caused by typhoons in 2019, there are plans to improve how the system operates so that bases can independently confirm employee safety in the case of a disaster.

There is regular training, twice a year, to ensure the system functions effectively. In addition, emergency cards that explain how to use the system are distributed to all employees so that they can keep them on them at all times.



Emergency Card

Responsible Corporate Activities

◆ Establishment of an emergency communication network

Efforts are being made to ensure communication if it becomes impossible to use landlines or mobile phones for any reason. Main bases (19 locations) are equipped with MCA radio systems* or satellite phones. Furthermore, we are increasing effectiveness by conducting regular communication training that uses the emergency communication network.

*MCA radio system: A commercial radio system that makes it possible to communicate over a wide area.

◆ Storing of emergency stockpiles

Assuming that transportation systems would be paralyzed and employees may be forced to stay at offices or production facilities we have stored enough water, food, and portable toilets to last three days, in addition to helmets and blankets for every employee at each base. We have also set up emergency generators at major bases. In February 2020, some of the storage criteria for the stockpiles were revised in accordance with the updating of best before dates.

[Changes that were made]

- Increased the type and quantity of supplies to provide around 1,300 kcal per day per person.
- Distributed allergy-friendly food to each base (about 20% of total volume).

TOPICS

Our COVID-19 response

A state of emergency* was declared on April 7th, 2020 in response to the spread of COVID-19. The declaration initially applied to Tokyo, Kanagawa, Chiba, Saitama, Osaka, Hyogo, and Fukuoka prefectures, but was later expanded to the whole country on April 16th. *The state of emergency was lifted on May 25th.

The Okamura Group took this declaration very seriously and fully cooperated with the requests and instructions of prefectural governors, working to prevent the spread of COVID-19.

Employees at headquarters and in sales departments were instructed to work from home in principle, face-to-face internal and external meetings were avoided, and remote conferencing systems were utilized. For employees in production departments, employees worked with due consideration of safety by establishing infection prevention measures (avoiding the 3Cs – closed spaces, crowded places, close contact; wearing masks; thoroughly washing hands; and disinfection with alcohol).

Sales visits, deliveries, and installation work were voluntarily suspended in principle during the state of emergency. If customers requested delivery or installation, this was done upon taking infection prevention measures.

Furthermore, seminars and events hosted by Okamura were canceled or changed to online ones, and all six showrooms throughout Japan as well as the Okamura Chair Museum were temporarily closed.

Strategies for the Post-Corona Workplace, a report on changes to work styles and workplaces caused by COVID-19, was posted on our website. The changes in work styles and workplaces caused by COVID-19 were grouped into three phases: Emergency COVID-19, With COVID-19, and Post-COVID-19. The report introduces in detail, among other things, workplace strategies to combat COVID-19 and designs for a safe and secure workplace.



アフターコロナにむけた
ワークプレイス戦略
コロナショックが変える
働き方と働く場

Workplace Strategy toward After COVID-19
The Future of Workstyle and Workplace
ver. 1.0

WORK MILL
SPONSORED BY
okamura

Responsible Corporate Activities

Protection of personal information

Okamura has established a Personal Information Management Committee for the purpose of promoting initiatives to protect personal information, and it conducts education activities as well auditing and providing guidance on-site. Furthermore, we have obtained certification under the PrivacyMark system operated by the JIPDEC. We thoroughly implement measures based on certification standards.

◆ Addressing the EU General Data Protection Regulation (GDPR*)

In May 2018, the EU General Data Projection Regulation, a framework for the purpose of privacy protection, came into effect in the European Union. The Okamura Group appropriately handles information subject to the GDPR in line with the regulation.



PrivacyMark

* GDPR: General Data Protection Regulation

GDPR Compliance

https://www.okamura.com/en_eu/policy/gdpr-compliance/

Enhancing information security

The Okamura Group has made information system departments responsible for supervising and promoting efforts to improve information security for the Group as a whole. It also provides guidance to various Group companies, mainly regarding computers, servers, and networks that form the system infrastructure.

We have stipulated the proper use of information terminals, networks, electronic mail systems, and similar infrastructure for employees and those working outside the company in the In-House Information System Use Rules. We are also working to raise awareness of information management through public announcements and e-learning.

As specific measures to prevent information leaks, we are moving forward with measures such as data encryption, computer operation logs, website filtering systems and training on targeted attack emails on a company-wide basis. We have also created guidelines on the use of social media. Furthermore, we have appropriate security measures related to authenticating individuals when they use systems and managing physical access to the office. In preparation for disasters, our main host computers, servers, and other equipment have been moved to data centers that are highly earthquake resistant.

Revising the Social Media Guidelines

Regarding to the private use of social media by Okamura Group employees, we have compiled basic principles that should be understood and complied with considering the increase in social

media platforms, users and cases of online abuse, our Social Media Guidelines were revised in March 2020 and employees received education through e-learning to spread awareness.

Responsible Corporate Activities

Promotion of Compliance

Thorough compliance is indispensable for conducting business that is trusted by stakeholders. At the Okamura Group, in addition to establishing an organization structure and reporting system to promote compliance, we are also working to urge each employee to act in accordance with the Code of Conduct and spread compliance awareness throughout the entire organization through education and awareness-raising activities.

Compliance promotion system

A Group Compliance Committee and a Compliance Committee have been established under the Chief Compliance Officer (CCO) as bodies that deliberate on and make decisions regarding measures relating to compliance and measures to resolve issues.

The Compliance Committee comprises of senior general managers from each division in Okamura meets twice a year, and the Group Compliance Committee comprised of management level employees from group companies meets once a year. Both committees examine matters related to compliance and exchange opinions.

We have also assigned a person in charge of compliance within each Okamura division and group company, and we are promoting activities in collaboration with the Compliance Committee. (See p. 20 for related information)



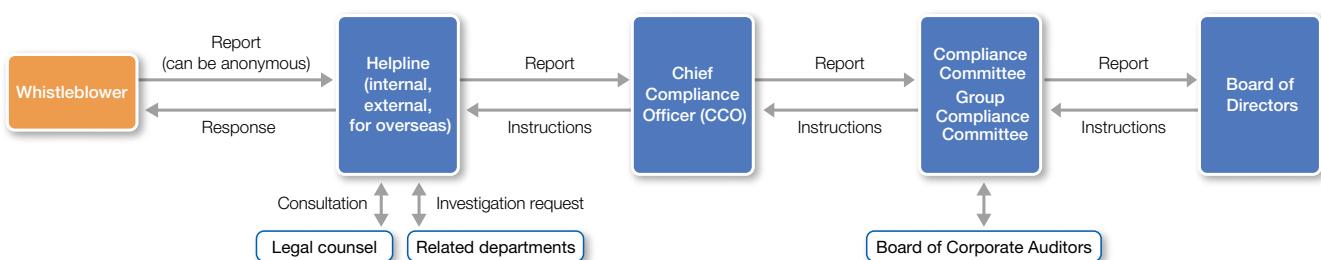
Compliance Committee meeting (held August 2019)

Helpline system

Okamura has established a helpline system for situations when it is difficult or impossible for an employee who discovers an act that is or may be a violation of the Code of Conduct to resolve the issue through normal means. We have also formulated Compliance Helpline System Rules, which protect whistleblowers so that they are not treated unfairly for filing reports.

The system is available for Okamura Group employees, temporary employees, contract employees, and outsourcing contractors. In addition to accepting reports from within the company, points of contact have also been established externally (law office) so as to enable more effective use of the system. Since April 2019, the helpline system has also been available for overseas subsidiaries and associates.

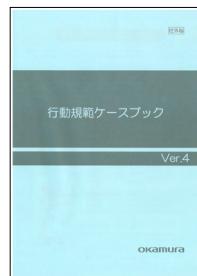
Helpline flow



Responsible Corporate Activities

Spreading compliance awareness

At the Okamura Group, in addition to creating and distributing material so that all employees act in a compliance-conscious manner we also conduct training and awareness-raising activities. One of our initiatives is to distribute the Code of Conduct Casebook, which compiles various compliance-related issues, in order to increase awareness among employees regarding compliance risks that can occur in daily operations and urge caution in their daily actions and words. In fiscal 2019, we revised the Code of Conduct Casebook and expanded its content by revising the included cases and listing laws, ordinances, and related internal rules for each case in order to further deepen the understanding of each individual.

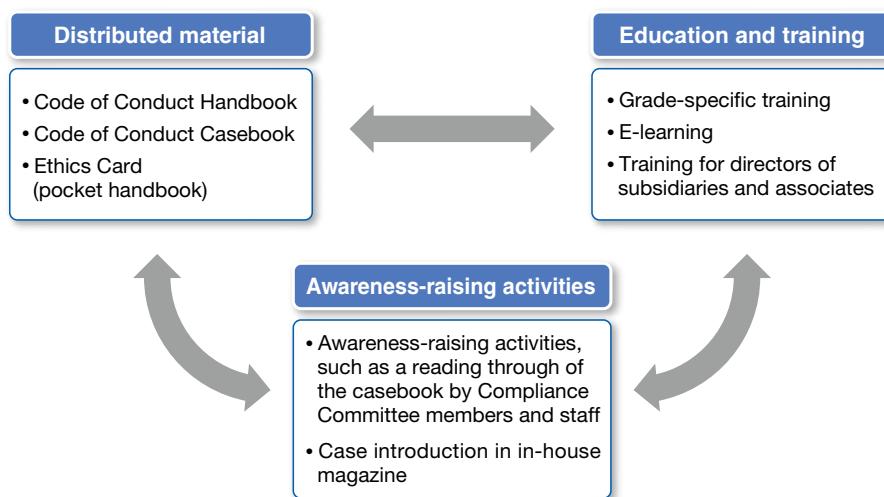


Code of Conduct Casebook



Compliance information page in the TERRACE in-house magazine

Summary of activities to spread compliance awareness



Conducting employee awareness surveys

At the Okamura Group, we conduct an employee awareness survey on compliance and the workplace environment once every three years. In this way, we strive to raise awareness of compliance, the level of understanding of the Code of Conduct, and ascertain issues related to workplace improvements.

The response rate for the survey conducted in January 2020 was 76.3%.

In addition to being reported to managers in each workplace and the management team of each Group company, the results of the survey are provided as feedback for all employees through e-learning. Based on the awareness survey, we are promoting initiatives to ensure thorough compliance, including introducing a physical access management system, establishing a new external helpline, and holding grade-specific discussions with employees.

Responsible Corporate Activities

Training for board members of subsidiaries and associates

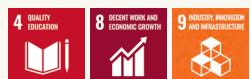
We hold annual training sessions for board members of Group companies for various purposes, including on issues related to increasing corporate value and the sharing of various risks. In the training, we bring the board members of both Japanese and overseas group companies together in one location and have experts give lectures on the basics of compliance risk in management and on the changes in the demands of society. This makes it possible to share information on differences in such things as culture, laws, and ordinances between countries and regions, and then link this to the promotion of appropriate business activities.



Training

VOICE

Participating in training for board members of subsidiaries and associates



PT. OKAMURA CHITOSE
INDONESIA
President &
Representative Director
Yushi Kubo

I am currently working in Indonesia, the third country I have worked in. I have been stationed overseas for a total of 18 years. Taking part in the training for board members of subsidiaries and associates was meaningful for me because through the discussions, I was able to exchange opinions on action plans to increase corporate value that can be utilized globally.

Furthermore, at the finance lecture given by an external instructor (Mr. Asai, certified public accountant), I was made aware of the importance of sound management. Social and economic environments are dramatically changing for various reasons, including political conditions, natural disasters, and recently, COVID-19. We are required to respond quickly and appropriately to these changes as overseas bases as well, and I was able to learn the importance of conducting responsible corporate activities through this training.

Responsible Corporate Activities

Respect for Human Rights

Aiming to be a global company that is trusted and appreciated by society, the Okamura Group strives to understand individual personalities and diverse cultures, eliminate discrimination and harassment, and ensure a safe workplace that is easy to work in. Through thorough compliance with the matters stated in our CSR Policy and Code of Conduct as well as enhancing compliance education and expanding the helpline system, we will foster an organizational culture that respects human rights, and we will contribute to creating an even better society through our business activities.

Promoting initiatives from the perspective of respect for human rights

The Okamura Group works to thoroughly spread awareness among employees by stating our approach toward the respect of human rights in our CSR Policy and Code of Conduct as well as clearly indicating our stance through all our business activities. Furthermore, we have established consultation windows both internally and externally for employees. In the unlikely event that there is a problem related to human rights, we have a system in place that can respond promptly while taking into consideration

the delicate nature of the situation and privacy of the victim. In addition, for managers, we regularly conduct education on preventing harassment. We work to prevent such incidents and respond appropriately in the unlikely event they do occur. In our relationship with suppliers as well, we promote procurement activities that emphasize CSR, including human rights and labor environment, based on our CSR Procurement Guidelines. (See p. 13 for related information)

◆ Promoting initiatives based on the Global Compact

Okamura signed the UN Global Compact and was registered as a participating company on February 26, 2020. Taking into consideration the two Global Compact principles related to human rights—“Businesses should support and respect the protection of internationally proclaimed human rights” and “make sure that they are not complicit in human rights abuses”—we will move forward with initiatives in various corporate activity aspects. (See p. 15 for related information)

◆ Response to the UK Modern Slavery Act 2015

The Okamura Group has released a statement regarding its initiatives related to preventing slave labor and human trafficking based on the UK Modern Slavery Act 2015.

UK Modern Slavery Act

https://www.okamura.com/en_eu/msa2015/pdf/msa2015statement.pdf

◆ Conducting training on LGBT issues for all board members and employees

We are moving forward with several initiatives based on our approach toward diversity and inclusion, and one of these involves conducting training to deepen understanding to deepen understanding of the LGBT community. Following the training we held in 2018 for management, we conducted an e-learning course on the basics of LGBT issues for all board members and employees in 2019.

(See p. 69 for related information on diversity-related initiatives)

Responsible Corporate Activities

Relationship with Local Communities

At our domestic and overseas locations, the Okamura Group works to interact with the local community and engage in social contribution. By participating in local events and environmental activities we can grow together with the people in these communities.

Participating in local community activities

We actively participate in and cooperate with the local community by taking part in events and clean-up activities, letting local residents use our sports fields, and providing assistance during emergencies such as natural disasters.

[Main local community support activities in fiscal 2019]

- Volunteer activities for Shiki Theatre Company's "Kokoro No Gekijo" (May 24, 2019)
- Participated in 2019 Telework Days (sponsored by the Ministry of Internal Affairs and Communications; Ministry of Health, Labour and Welfare; Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure, Transport and Tourism; Cabinet Secretariat; and Cabinet Office) (July 22–September 6, 2019)
- Participated in The Great Aichi Shake Out (sponsored by Aichi Prefecture) (August 30, 2019)
- Participated in Osaka Marathon Clean-up Campaign (sponsored by Osaka City) (November 25, 2019)
- Sports field lent out to youth baseball teams and others (Sanyo Okamura Corporation)
- Allowed use of our rugby field (Tsukuba Plant)



Cleaned up the marathon course as part of the Osaka Marathon Clean-up Campaign



Youth baseball on the Sanyo Okamura Corporation sports field



Photo center NS OKAMURA CORPORATION Yu Saeki



◆ Supporting sports

The Okamura Group conducts various activities that support sports, including letting local sports teams use our sports fields, employing athletes, and sponsoring professional sports and sports events. Employees of NS OKAMURA CORPORATION are members of the local Kamaishi Seawaves RFC rugby team*. NS OKAMURA CORPORATION continues to provide support as a partner that employs athletes while Okamura does so by serving as a sponsor.

*Kamaishi Seawaves RFC: A rugby team formed in April 25, 2001 as Japan's first community-based rugby team. The team plays in the Top Challenge League, a second-tier companies league.

◆ Assisting areas affected by disasters

The Okamura Group provides assistance to victims of large-scale natural disasters in Japan as well as assistance for recovery in the affected areas in the form of donations and supplies. When Typhoon Faxai and Typhoon Hagibis hit in September and October 2019, respectively, causing major damage, we donated Okamura

chairs, desks, and other items to entities such as medical clinics, pharmacies, and local companies through Japan Platform (JPF). Okamura is a member of JPF, which provides disaster relief in collaboration with NGOs, the business community, and government.

Responsible Corporate Activities

TOPICS

Takahata Plant assists in recovery of local community from typhoon damage



Typhoon Hagibis caused major damage to the area around the Takahata Plant, located in the city of Takahata, Yamagata. Among the damage caused, damage to rice paddies was the most serious. Flooding rivers and substantial amounts of rainwater caused harvested rice straw to be washed away and accumulate in paddy fields. This would greatly hinder production the following year.

Spearheaded by the Takahata Town Hall, an examination was made into ways of removing the rice straw so that farmers who were affected would not lose their will to farm and farming could be restarted as soon as possible. As a result, we were asked if the grounds of the Takahata Plant could be used as a temporary location to gather and store the straw as the plant had good access to incineration facilities.

The Takahata Plant has always valued its relationship with the local community, and because snowfall was approaching, we accepted this request so that removal work could start as quickly as possible.



Temporary storage of rice straw

◆ Tree-focused activities based on collaboration between industry, academia, and government

In July 2018, Okamura concluded a three-party agreement with the city of Oguni-machi (Yamagata Prefecture) and the Tohoku University of Art and Design regarding the use of timber.

With "wood" as our keyword, we are working together to make effective use of the resources possessed by the three parties and promoting active relations with timber in local communities, including mokuiku ("wood education").

A typical example of these activities is the First Furniture Business, which is part of a university Furniture Design Seminar. Through this business, students taking the seminar design furniture for three-year-olds living in Oguni-machi. The furniture is then produced in the town using local timber and presented to the children. Okamura also helps nurture the seminar students by providing guidance regarding furniture design and supporting the production of wooden furniture.



"My First Furniture", Torte, a design that fosters parent-child interaction.



The designer of Torte, Takahiro Oikawa, a seminar participant

◆ Donation activities for Thai elementary schools

Thai-based Siam Okamura International Co., Ltd. contributes to the community every year and conducts social contribution activities based on the theme of next-generation development support. This year, the company donated stationary, sports goods, and other items to local elementary schools through a matching gift program in which the company matches donations made by employees. We will continue to work closely with Thai society and people as a conscientious corporate citizen, and we will continue to conduct steady activities and express our feelings of appreciation.



Group photo after donation activities

Responsible Corporate Activities

TOPICS

Launch of the On Campus Internship at Osaka University



As a new joint industry-academia project in education, Okamura launched the active learning On Campus Internship for undergraduate students at Osaka University.

This is an endeavor that offers a corporate internship as part of a university classes. Through 15 lectures on the topic of "work in the future" held between April and August 2019, students had an opportunity to think and independently learn about work in a way not possible with short-term internships. Held at Okamura's Open Innovation Biotope "bee," the group work-based lectures emphasized acquiring new perspectives and being able to think from different perspectives; not through one-way learning from faculty to students, but through dialogue between people of different positions, namely, faculty, company employees, and students.

We will continue to create spaces for practical learning and dialogue through joint creation between universities, and corporations.



One of the classes

Communication with the local community at production plants

Okamura Group production facilities conduct tours not only for our customers, but also for children who visit us to learn about working at large companies. In these factory tours, participants get to see how our products are made, hear some tricks of the trade, and are introduced to how we nurture our staff by passing down our knowledge to ensure they can fulfil their potential. The Oppama Plant has offered the Summer Vacation Tour since fiscal 2013. Through these tours, we convey the fun of manufacturing by letting participants make coin cases from scraps of leather used for seating and card cases from steel sheets.

At regularly held social gatherings and company tours held for members of the local community, we show visitors the manufacturing process and waste facilities, explain our environmental initiatives, and create venues to exchange opinions that lead to the understanding and peace of mind of local residents. In fiscal 2019, a total of 1,886 people participated in tours of Okamura Group production facilities.

Furthermore, the Oppama Plant exhibits every year at Oppama Day, a local event held on the same day as an Eastern League professional baseball game. The booth exhibits various items, including our ergonomically engineered office chairs.



Okamura's Oppama Day booth

Responsible Corporate Activities

Activities for Society

Leveraging the knowledge and experience we have accumulated through our business activities, the Okamura Group contributes to the creation of a sustainable society through efforts such as developing human resources and providing information and spaces for solving social issues.

Support for cultural and arts activities

Okamura has held the special OKAMURA Design Space R exhibition at the Okamura Garden Court Showroom in Tokyo every year since 2003. Based on the concept of collaboration between architects and creators from outside the world of architecture, these unique events offer innovative perspectives and something entirely different to the solo exhibits of the respective collaborators. In 2019, we held "Journey," the 17th such exhibition. Illustrations based on the theme of "Journey" were exhibited, with Ken Yokogawa as the architect, Kosei Komatsu (artist) as a collaborator, and with sawako as the sound artist.



17th Exhibition "Journey"

◆ Communicating information through the Okamura Chair Museum

The development and production of office seating continues to evolve as times change. We opened the Okamura Chair Museum in 2009 as a venue to pass on the post-war industrial and technological history and spirit of manufacturing. The museum introduces these topics in a multifaceted manner from perspectives such as the history of office seating and office seating technology. In addition to collecting information and conducting research and studies on furniture that is vital for the creation of comfortable spaces, we offer a space where people can learn in a fun manner.



Okamura Chair Museum
<https://www.okamura.co.jp/company/museum/>

Contributing to solving social problems stemming from a shortage of truck drivers

Endorsing the White Logistics Movement promoted by the Ministry of Land, Infrastructure, Transport and Tourism; Ministry of Economy, Trade and Industry; and Ministry of Agriculture, Forestry and Fisheries, Okamura submitted its own voluntary action declaration in August 2019. The White Logistics Movement is a response to the shortage of truck drivers, which continues to grow

more serious. The movement aims to ensure stable logistics, which are necessary for the life of the people and for industrial activities, as well as to contribute to economic growth. To achieve this, the movement involves increasing the productivity of truck transportation and efficiency of logistics as well as creating a better work environment that is easy to work in regardless of age or sex.

Responsible Corporate Activities

Support for developing the next generation

At the Okamura Group, we are engaged in initiatives to educate the youth that will support society in the future by leveraging the experience we have accumulated as a company.

◆ Elementary school classes held in nature

As part of our social contribution activities, Okamura has been conducting elementary school classes held in nature since 2007. With employees serving as instructors, there are classes that teach “the spirit of using things with care” based on the “3Rs* of desks and chairs” for schools as well as learning about the current state of the world’s forests based on the theme of “Let’s think about the forests of Japan.” These classes allow students to realize the importance of conserving biodiversity and the sustainable use of forest resources, and to think about what they themselves can do. Going forward we will link class themes with achieving the SDGs, and promote awareness of social issues in the daily lives of the children who will support society in the future as well as increase awareness toward the solving of these issues.

* 3Rs: Reduce, Reuse, Recycle

Classes held in nature results

Year	Students	Schools	Year	Students	Schools
2007	120	1	2014	340	3
2009	362	3	2015	443	6
2010	643	7	2016	513	6
2011	215	3	2017	329	5
2012	274	4	2018	450	7
2013	191	2	2019	444	4



Children eagerly listening to an explanation on caring for forests



VOICE

Developing human resources who will contribute to the realization of an inclusive society through ergonomics*



Work Style Consulting Office
Work Design Laboratory
Executive Researcher
Haruyuki Asada

When the College of Interhuman Symbiotic Studies was newly established at Kanto Gakuin University, which is located near the Okamura Oppama Plant, I was invited to teach Ergonomic Design as a part-time lecturer. Ergonomics refers to the study of people-centric manufacturing and space creation. It is important that the many tools around us and our living environment are safe, functional, and easy to use. In these lectures, students acquire knowledge required for ergonomics-based design from human physical, cognitive, and organizational aspects. In addition, I teach them about the relationships between humans and various objects and spaces, such as furniture, housing, and cities.

Because the lectures are mainly classroom-based, I make efforts to make classes as memorable as possible for the students by having them move around to experience how joints move and conducting simple exercises. I try to introduce practical examples and new technology since I interact with the students as someone actually working in the industry. This is a study with no end as new issues in the relationship with people arise as technology advances.

This year, the first class of students graduated from the new college. I hope the students that have taken my classes will flourish in society, contribute to the realization of an inclusive society, and create a bright future.

* Ergonomics: A scientific field that aims to understand human physical, cognitive, and organizational characteristics and apply them to various products, environments, and services.

Responsible Corporate Activities

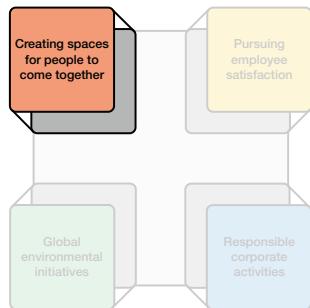
◆ Supporting the ad design contest business for students

Okamura cosponsors the Japan Student BtoB Newspaper Advertising Awards presented by BtoB Advertising Association Japan. The Japan Student BtoB Newspaper Advertising Awards is a design contest for students enrolled in a Japanese university, technical school, or similar educational institution. It is held to deepen understanding of BtoB business, improve the skills of future creators and marketers, broaden the potential of advertisements, and invigorate BtoB businesses by having the younger generation create newspaper advertisements. Applicants take the position of a

seller and take up a product, service, or corporate brand submitted by a sponsor as the theme to create a related newspaper advertisement using the information provided, the product logo, and other information.

For the 4th Japan Student BtoB Newspaper Advertising Awards in 2019, the theme was Okamura's active move chair, Weltz-self. There were numerous submissions, including ones that focused on the people who use the chair and advertising designs that highlighted the features of the product.

Creating Spaces for People
to Come Together



Creating Spaces for People to Come Together

The mission of the Okamura Group is to “serve society by creating environments for dynamic interaction through innovative ideas and proven quality,” and we will evolve as a company that creates new value where people come together.

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Contribution to SDGs



Creating New Value Where People Come Together

Based on the motto of “quality pays for itself,” the Okamura Group strives to improve quality and safety from a global perspective while also continuing to pursue the ideal form of products and optimal interior spaces for various venues, including offices, education, healthcare, R&D, commercial facilities, and distribution centers by accurately responding to the needs of customers. In addition to conducting research and studies relating to what it is to work, we will continue to create new value through communicating information and creating new businesses through co-creation.

“Quality pays for itself”: Okamura Group’s motto since its founding. The group conducts its corporate activities based on the belief that providing customers with high quality products that are also well-designed, functional, and safe, ultimately leads to the product paying for itself for customers.

Creating Spaces for People
to Come Together

Pursuing Quality in Product Development

The Okamura Group aims to commit itself to manufacturing and to achieving high-quality design that benefits all people and allows us to pass on an even better environment to the next generation.

We will create appealing environments in many fields based on our knowledge of creating optimized human environments accumulated since the founding of Okamura. In order to achieve this, we are advancing with product development based on the idea that the three perspectives of Quality Design, Eco-Design, and Universal Design are essential.

The Okamura Group's Design Policy



Quality Design

Pursuing the true essence of a product, we provide our customers with products they can truly appreciate. In the pursuit of "the perfect product," we are constantly refining our manufacturing abilities. We aim to create high-quality designs that give our customers added value.

Okamura is committed to satisfying the needs of our customers by ensuring safety and improving comfort. This includes product development based on ergonomic principles and creating environments that enhance creativity.

◆ Creating the WELL PLUS mark

The WELL certification, a system that evaluates whether a space is one where people can spend time in a healthy and comfortable manner, has recently seen its adoption spreading as an assessment criteria for office spaces. At Okamura, we place the WELL PLUS mark on products that support the attaining of WELL certification, and we assist the customer in improving office environments and creating offices.



◆ CMF (Color · Material · Finish)

Our designs start from the three elements that comprise the surface of a product—color, material and finish (CMF). Okamura strives to create office spaces that stimulate the senses through the world of materials, fostering creativity and efficient work styles. To this end, we incorporate CMF that encourages concentration, collaboration and relaxation when developing products and creating spaces.



Okamura Website CMF
<https://www.okamura.co.jp/product/cmf/index.html>

Creating Spaces for People
to Come Together

Eco-Design

The Okamura Group strives to design products that have the lowest possible level of environmental impact throughout their life cycle, from the selection of raw materials, to disposal after use. This

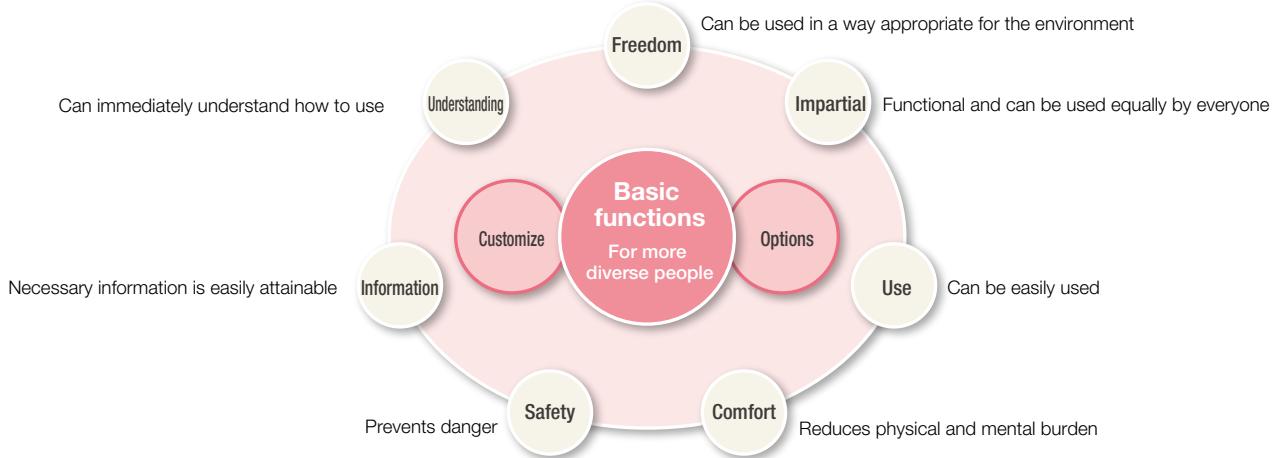
contributes to a sustainable society. We achieve this goal by carrying out product assessments at the planning and design stages and applying certification according to our own environmental standards.

Universal Design

Okamura pursues designs that benefit all people, developing individualized products and spaces for people from all walks of life. We offer products and spaces so that a greater number of people

can use them comfortably, focusing on safety, comfort, adaptability, ease of comprehension, access to information and basic performance, including ample customization and optional extras.

The Okamura Group's approach towards universal design



◆ Initiatives to spread universal design

Okamura has participated in the International Association for Universal Design (IAUD) since the founding of the association. We also sponsor international conferences and support IAUD activities.

The IAUD works for the sound development of society and the creating of fulfilling lifestyles through the further spread and implementation of universal design.

**Creating Spaces for People
to Come Together**

Assessment by society

The Okamura Group has been committed to manufacturing, providing society with products that will satisfy customers. Our stance toward development is to emphasize not only functionality, safety, durability, and reliability, but also exterior beauty and to pursue a product's ideal form. This stance has been highly regarded domestically and abroad, leading to numerous awards and certifications to date.

◆ HiP Awards at NeoCon*

<Winner—HiP Awards 2019 at NeoCon,

Workplace: Sofa Category> (June 2019)

- NAGARE sofa series

URL: <https://idhipawards.secure-platform.com/a>



* HiP Awards at NeoCon: An awards program hosted by INTERIOR DESIGN magazine. Winners are selected from products announced at NeoCon, one of the world's largest office furniture trade shows, and designers and other parties active in the industry. The selection is based on an evaluation of innovative products by category and contributions to the industry.

◆ Kids Design Award*

<Recipient—13th Kids Design Award>

(August 2019)

- L8K2 series lobby chair

URL: <https://kidsdesignaward.jp/about/>



* Kids Design Award: A recognition system sponsored by the Kids Design Association. It aims to select outstanding products, spaces and services that make it possible for children to live safely, develop rich sensitivity and creativity, and that create a society conducive to having and raising children."

◆ Good Design Award*

<Recipient—2019 Good Design Award> (October 2019)

- WORK MILL, activities to consider and envision "work" (see p. 40 for related information)
- mode office seating (mesh type)
- SALITRO active learning chair
- Cradle multi-stool & table



URL: <https://www.g-mark.org/about/>

* Good Design Award: A recommendation-based comprehensive design award presented by the Japan Institute of Design Promotion. The purpose of the award is to promote a more fulfilling life, richer industry, and more vibrant overall society by recognizing good designs.

◆ Japan Wood Design Award*

<Recipient—Japan Wood Design Award 2019, Heartful Design Category> (October 2019)

- Mokunowa (see p. 58 for related information)
- Submitted jointly with the Waseda University Department of Architecture Nobuaki Furuya Laboratory and the Hamamatsu City Forestry Promotion Section, Forest/Forestry Policy Group



URL: <https://www.wooddesign.jp/about/>

* Japan Wood Design Award: A system to evaluate and recognize particularly outstanding products and efforts that make it possible to rediscover the value of wood from a consumer perspective. The purpose of the award is to spread and Develop the idea of "fulfilling lives with wood" to make daily life and society more colorful, as well as to promote the use of wood.

◆ German Design Award*

<Winner—German Design Award 2020, Excellent Product

Design Category> (November 2019)

- Lives office furniture series personal chair & table
- ALBROAD 23NP lobby chair
- Weltz-self "active movement" chair (see p. 37 for related information)
- Cradle multi-stool



URL: <https://www.german-design-award.com/en/>

* German Design Award: Run by the German Design Council, it consists of the Excellent Product Design and Excellent Communications Design categories. Candidate products must have already received a certain level of acclaim for outstanding design and be recommended by the German Design Council. In each category, the top product is awarded 'Gold', with particularly highly regarded products receiving 'Winner' status, along with 'Special Mention' products.

◆ GOOD DESIGN*

<Recipient—GOOD DESIGN 2019>

(January 2020)

- Lives office furniture series work table
- Lives office furniture series panel
- traverse satellite conference table



URL: <https://www.good-designawards.com/about.html>

* GOOD DESIGN: Presented by the Chicago Athenaeum: Museum of Architecture and Design. A panel of experts judge items from angles such as innovative design, new technology, form, materials, architecture, concept, function, and aesthetics. Launched in 1950, it is a prestigious international design award with the longest history in the world.

◆ Best of Year Awards*

<Recipient—Best of Year Award 2019,

CONTRACT SOFA Category> (January 2020)

- NAGARE sofa series



URL: <https://www.interiordesign.net/award/>

9-best-of-year-awards-winners-2019/

* Best of Year Awards: A design award program for the design industry presented by INTERIOR DESIGN magazine. Recipients are selected by votes. In addition to praising innovative products and outstanding contributions to the industry for each product category, designers, architects, and manufacturers are also recognized.

Creating Spaces for People
to Come Together

◆ iF Design Award*

<Recipient—iF Design Award 2020>

(February 2020)

- Finora office seating
 - Lives office furniture series panel
- URL: <https://ifworlddesignguide.com/awards/participate/if-design-award-2020>



* iF Design Award: Presented by iF International Forum Design GmbH, it is a prestigious international award presented every year to industrial products from around the world with outstanding industrial designs.

◆ Red Dot Design Award*

<Best of the Best—2020 Product Design Category>

(March 2020)

- Marca meeting chair
- Marca meeting table
- Finora office seating
- SOLISTE office desk

URL: <https://www.red-dot.org/about-red-dot/red-dot-award/?r=1>



reddot winner 2020
best of the best

* Red Dot Design Award: Presented by Design Zentrum Nordrhein Westfalen of Germany. It is one of the largest and most prestigious design awards in the world and has been presented every year since 1955. Items in three categories: Product Design, Design Concept, and Brands & Communication Design, are judged based on principles such as innovation, functionality, quality and ergonomics. Those that are particularly outstanding are presented with the Best of the Best Award.

◆ UNIVERSAL DESIGN COMPETITION*

<Recipient—UNIVERSAL DESIGN EXPERT 2020>

(March 2020)

- SALITRO active learning chair and statif II standing support desk

URL: <https://www.universal-design.org/universal-design-competition?lang=en>



* UNIVERSAL DESIGN COMPETITION: A competition held by the Institute for Universal Design of Germany. Winning products are selected based on not only outstanding universal design characteristics that make them easy to use by everyone but also other factors, such as innovativeness and marketability. The screening is conducted by a group of experts in the field of universal design and 100 general consumers, with each group selecting the UNIVERSAL DESIGN EXPERT prize and UNIVERSAL DESIGN CONSUMER prize, respectively.

Creating Spaces for People
to Come Together

Pursuing Quality When Creating Spaces

With our aim to "set the stage for people," the Okamura Group proposes ideal spaces for people to spend highly creative and efficient times in a comfortable and healthy manner by offering outstanding products and services for various facilities.

Researching, studying, and communicating information on work styles

Against the backdrop of changes in social structures, advances in technology, and diversification of lifestyles, there is a growing movement to rethink how work styles and workplaces should be and where work is positioned in our lives. Taking this situation into

consideration, Okamura will conduct studies and research on work from new perspectives, as well as move forward with providing information and collaborating with other companies, students, and people from wide-ranging fields.

Practicing diverse work styles and space creation

◆ “Labo offices” for practicing work style reforms

We have set up “Labo offices” around the country as spaces to experiment and verify new work styles and environments, as well as to strengthen collaboration between internal departments and external organizations. Four locations have been set up in the metropolitan area: CO-Dō LABO, CO-RiZ LABO, CO-SO LABO, and KEN-CO LABO. Employees are engaged in work style reforms based on different concepts.

What is common across all “Labo offices” is that they practice activity based working (ABW). ABW refers to a work style in which employees themselves proactively choose where they will work to match the content and purpose of the job. To make that possible, each “Labo office” offers a variety of options including a work space, concentration space, collaboration space, 1-on-1 space, and a cafe space.

The results of the experiments and verifications at the “Labo offices” are applied to in-house work style reforms as well as in proposals to customers.



CO-Dō LABO



CO-RiZ LABO



CO-SO LABO



KEN-CO LABO

Creating Spaces for People
to Come Together

Thorough Quality Management

The Okamura Group has established a company-wide promotion system to enhance product quality through the operation of a quality management system as well as an assessment system. Through these efforts, we strive to provide safe and high quality products.

Promoting company-wide activities to improve quality

In order to promote initiatives by all employees to improve the quality of our products, we have created a Production Division Quality Policy and we are working to raise the level of awareness. Furthermore, the Quality Management Committee for the whole Group meets every month in order to increase customer satisfaction. The committee is comprised of persons responsible for quality management from the Customer Consultation Office, maintenance departments, production plants, logistics departments, and installation work departments. It shares information on requests from customers, exchanges opinions on issues and improvement plans, and confirms improvement status at manufacturing facilities. By bringing together expert knowledge from each department, the committee will continue to tie this to improved quality management across the entire group.



Improvement activities at manufacturing facilities

Quality management based on ISO9001 international quality assurance standards

In order to continually improve product quality in all of the Okamura Group's business fields, we have obtained ISO9001* certification for each of our production plants, including those overseas, and we have established and operate a quality management system based on those same standards.

With regard to the operation of the quality management system, we continually work to improve quality by reflecting the numerous opinions from stakeholders into the various production stages, from planning to design and production, as well as assessing the functionality, safety, and durability of products.

Quality Slogan

- Aim to “create factories where you can feel and see the quality.”
- Aim for “high quality manufacturing” that will satisfy customers around the world through quality activities by all members.
- Conduct manufacturing that provides customer satisfaction in regards to quality, cost, and delivery through research and development of new technologies and skills as well as improvements to The Okamura Production System (OPS).
- Achieve quality targets by understanding issues both in and outside the organization, the needs of stakeholders and by working to tackle risks and opportunities.

Production Division Quality Policy

We will take a global perspective and put all of our efforts into providing products that enable customers to feel that “quality pays for itself.”

Furthermore, we have established a system to ensure that we can provide products that will satisfy customers through numerous efforts, including creating in-house qualifications to ensure the ability to maintain high quality standards in production processes and constructing a database for sharing necessary know-how.

* ISO9001: International standards for quality management systems stipulated by the International Organization for Standardization (ISO).

Creating Spaces for People
to Come Together

Product safety assessments

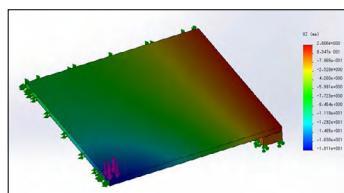
Using JIS^{*1} and overseas standards as reference during the design stage, we apply strict in-house standards, conduct various analyses using CAE^{*2}, conduct repeated performance and durability tests of samples. Through this, we assess and confirm the quality and safety of our products so that customers can confidently use them for many years. In addition we feed back comments received from installation work, distribution, and sales departments to further increase product safety by collaborating with related departments.

*1 JIS: Japan industrial standards. National standards to ensure the quality, safety, and compatibility of industrial products.

*2 CAE: Computer-aided engineering. Technology that uses models designed on a computer to analyze strength and other characteristics.



Tabletop durability verification test



Tabletop structure analysis model

Creating Spaces for People
to Come Together

Human Resources Development That Supports Manufacturing

In addition to maintaining an education and training system to develop outstanding human resources who will support manufacturing and working to pass on the advanced technology and skills accumulated over many years, we place great importance on employees obtaining certifications and work to improve the overall skill level of employees.

Technical Skills Training Center

We opened the Technical Skills Training Center in 2011 in order to develop outstanding talent who will be able to sustain our high quality standards. At the Center, we provide education to employees involved in manufacturing through various programs.

Around 300 employees take courses here every year. During the courses, eligible employees fully remove themselves from their usual duties and concentrate on learning. For example, the Leader Development Course in the field of basic skills is a two-month course in which participants learn the principles to ensuring

precision and quality in manufacturing. Participants are able to receive guidance directly from skilled instructors, which allows them to learn how to approach manufacturing and leads to improved on-site capabilities.

Furthermore, group training for new employees, which includes participation from multiple departments such as sales and design, also takes place at the Technical Skills Training Center – providing the opportunity to learn concepts and approaches to manufacturing.



Global Environmental Initiatives

We will help create a sustainable society by thoroughly considering the global environment throughout the supply chain of our business activities.

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Contribution to SDGs



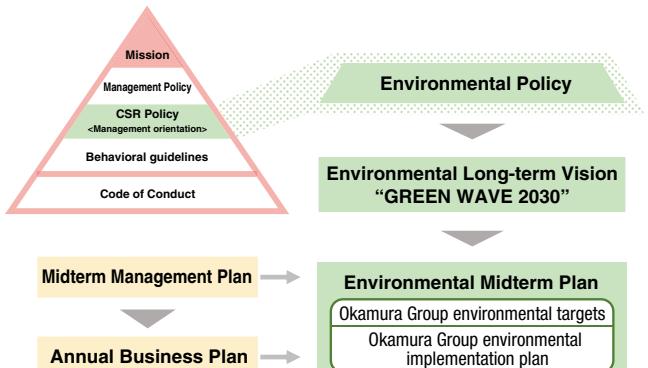
The Okamura Group's Approach Toward the Environment

The Okamura Group positions the environment an important theme for corporate management and will promote proactive environmental activities, including making efficient use of resources, conserving biodiversity, and reducing the burden on the global environment through all our business activities in partnership with the entire Group as well as with suppliers, and customers.

The Okamura Group's Environmental Policy

The Okamura Group's Environmental Policy indicates the overall aim and orientation of environmental initiatives expressed by top management. We will achieve greater environmental performance and reduced environmental burden by undertaking environmental activities as a Group based on a shared Environmental Policy.

Relationship between mission / management policy and environmental initiatives



**Global Environmental
Initiatives**

The Okamura Group's Environmental Policy

Environmental Basic Policy

Based on the idea of generating and then riding a GREEN WAVE, the Okamura Group will engage in activities to reduce our environmental burden by using our management resources (people, facilities, materials, and technology) in all business activities. In addition, we will contribute to the creation of a sustainable society by providing all stakeholders with our accomplishments.

Environmental Behavioral Guidelines

1. What Okamura puts into practice

Okamura will promote the reduction of its environmental burden through manufacturing and communication.

- Priority items

- Environmental protection activities in manufacturing

We will practice environmental protection activities in the various fields of development, production, sales, and distribution.

- Spreading environmental activities throughout society

Through our business and employee activities, we will broaden our communication with local communities and society and deepen mutual understanding.

(Main activities: Preventing global warming, resource saving, reducing waste, and conserving biodiversity)

2. What Okamura proposes

We help customers reduce their environmental burden through our business activities.

- Priority items

- Product proposals

We will supply environmentally conscious products that offer customer satisfaction.

- Space proposals

We will plan spaces that can reduce environmental burden.

(Main activities: Planning environmentally conscious products and spaces, disclosing product information, and reducing product risk)

In addition to informing all personnel of the Environmental Policy by posting it on each Okamura Group website, we will also disclose it to the general public.

(Excerpt)

GREEN WAVE 2020 environmental long-term vision and environmental midterm plan

At the Okamura Group, we formulate an environmental long-term vision every ten years that indicates the direction the Group should move in based on its Environmental Policy. In addition, we formulate three-year environmental midterm plans and single fiscal year targets, and we are steadily moving forward with initiatives to realize the long-term vision.

As the middle year of our 9th Environmental Midterm Plan based on the Green Wave 2020 Environmental Long-term Vision (formulated in fiscal 2009 and revised in fiscal 2017), our vision of where we want to be in fiscal 2020, in fiscal 2019, we promoted various activities. As this is the last fiscal year to achieve the targets in GREEN WAVE 2020, we will analyze our activities to date, identify and prioritize issues, and aim to raise the level of our environmental management.

Main details of the GREEN WAVE 2020 Environmental Long-term Vision

Item	Fiscal 2020 target values
1. Measures to prevent global warming	Reduce greenhouse gas emissions 4% (compared to fiscal 2005) Increase energy productivity 25% (compared to fiscal 2010)
2. Measures related to resource saving and waste	Maintain zero emissions at major distribution centers
3. Product eco proposals	Promote Green Wave+ Products that meet global standards Products suitable for different uses
4. Eco space proposals	Research and develop "Green Workplaces" and "Green Stores"
5. Biodiversity	Promotion of our Timber Use Policy

Global Environmental Initiatives

Positioning and approach of the Environmental Midterm Plan

At the Okamura Group, we clearly indicate a goal for three years ahead by formulating an environmental midterm plan, state targets for the initial year and the year following, and manage activity progress.

In addition, based on the environmental policy, the Okamura Group categorizes items into “Eco seeds,” environmental activities practiced by the Group, and “Eco fruits,” products and services proposed to customers born from these environmental activities. We clearly set activity goals and targets for each of these categories and set targets. (See p. 48 for related information)

Relationship between the Environmental Long-term Vision / Environmental Midterm Plan and single fiscal year objectives/targets

<Environmental Long-term Vision>

GREEN WAVE 2020 > GREEN WAVE 2030

<Environmental Midterm Plan>

Set single-year and three-year targets based on results and assessments; ramp-up activities



→ See Data Fiscal “2019 Environmental Targets/Activities Results and Fiscal 2020 Environmental Targets” (p. 74) for details.

Formulating the GREEN WAVE 2030 Environmental Long-term Vision

We are moving forward with formulating GREEN WAVE 2030 as Okamura Group's new environmental long-term vision in anticipation of fiscal 2030. We will launch these initiatives in 2021. In GREEN WAVE 2030, we will clarify the orientation of Okamura Group initiatives, which include reducing greenhouse gas emissions by 30% (compared to fiscal 2013) and increasing energy productivity by 10% (compared to fiscal 2020), financial targets related to measures to prevent global warming, and we will reflect these targets in the Environmental Midterm Plan.

Global Environmental Initiatives

Environmental Management at the Okamura Group

In order to promote environmental management based on our Environmental Policy, we maintain an organizational system that includes Group companies and aim to continue to promote initiatives and improve our environmental performance by establishing and operating an environmental management system.

Establishing and operating an environmental management system

The Okamura Group has already obtained ISO14001^{*1} and KES^{*2} certifications for each Group company and has moved forward with establishing and operating an environmental management system. By assigning a person responsible for environmental management in each Okamura department and Group company, we are establishing a system to manage and promote environmental initiatives as a Group.

We work to actively interact with outside environmental organizations and similar entities, and strive to acquire new knowledge and the latest information on various issues related to environmental administration and environmental management. We will link these to raising the level of environmental management of the Group as a whole.

^{*1} ISO14001: International standards for environmental management systems stipulated by the International Organization for Standardization (ISO)

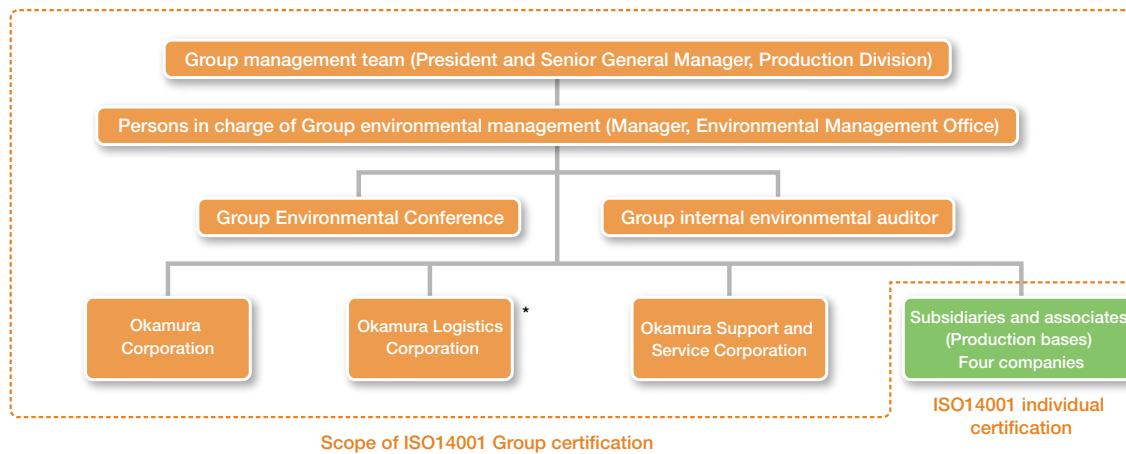
^{*2} KES: Environmental management standards set and certified by the Non-Profit Organization KES Environmental Organization

Management by the admin team and persons responsible for environmental management.

The Environmental Conference, attended by managers from the various Group companies, is held twice a year to promote environmental management for the Okamura Group as a whole. At the conference, participants share the Group's Environmental Policy and targets, and then confirm annual plans and discuss issues related to achieving the plan.

Group Environmental Management Supervisor Conference are also held where the state of operation of the environmental management system, including response to environment-related laws and regulations as well as issues and measures at various companies and departments, are discussed. Efforts are made to communicate opinions and share information among Group companies and examples of improvements and other information are horizontally deployed.

Environmental management system promotion system at the Okamura Group



^{*}Integrated into Okamura Corporation through an absorption-type merger (July 1, 2020)

Audits by independent organizations and group internal audits

In July 2019, JSA Solutions Co., Ltd. conducted a regular maintenance audit of the environmental management system, and the validity of the integrated certification of the Okamura Group (Okamura Corporation, Okamura Logistics Corporation, Okamura Support and Service Corporation) was confirmed. As for issues identified during the maintenance audit, one minor non-conformity and one matter for improvement were found.

Within the Group, every year there is also an environmental audit for each location and a Group environmental audit. As for the results of the Group internal audit for fiscal 2019, there was 1 audit exception, 4 observations, and 35 opportunities for improvement. The audit results are reported on at the Group Environmental Management Supervisor Conference and Group Environmental Conference, and these are linked to improvements in the environmental management system.

Fiscal 2019 Environmental Activities Results and Setting of Fiscal 2020 Targets

Based on the Environmental Midterm Plan, activities for fiscal 2019 were promoted by setting targets for the Okamura Group as a whole and Okamura Corporation itself. Activities to achieve the Environmental Long-term Vision will continue to be undertaken by assessing the results of activities undertaken in fiscal 2019 and setting targets for fiscal 2020.

Status of fiscal 2019 environmental activities for the 9th Environmental Midterm Plan

In fiscal 2019, the middle year of the 9th Environmental Midterm Plan, we moved forward with activities and conducted an assessment of the results.

Targets were set for the Okamura Group as a whole, including reducing the amount of energy used, cutting greenhouse gas emissions through greater distribution efficiency, promoting proper processing and recycling of waste from installation work at offices

and stores, and reducing the release and transfer of PRTR substances. Furthermore, for Okamura Corporation itself, we set a target of developing environmentally conscious products and increasing their sales ratio.

In relation to energy productivity, both production plants and offices achieved their targets. The achievement status for other items are as shown in the Data section (p. 74).

The 9th Environmental Midterm Plan and setting of 2020 fiscal targets

As the final year of the 9th Environmental Midterm Plan, in fiscal 2020, we set targets based on GREEN WAVE 2020, by continuing work toward targets that were not achieved as of fiscal 2019 and adding new environmental activities that will be undertaken.

At the Okamura Group, we promote activities to reduce our environmental burden from the two aspects of "Eco seeds," which are primarily in-house initiatives, and "Eco fruits," which focus on customers and the supply chain.

◆ Eco seeds

We promote our successes in reducing the amount of energy used in the production process, reducing the release and transfer of substances subject to the PRTR Act, cutting greenhouse gas emissions through greater distribution efficiency, and proper processing and recycling waste from installation work at offices and stores. We will increase the development rate of environmentally conscious products as well as operate and manage product assessments.* In addition, we will undertake social contribution activities in cooperation with environmental protection organizations, support environmental education activities for children, and other similar activities.

◆ Eco fruits

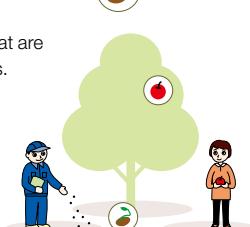
We will move forward with providing customers with environmentally conscious products and space planning. In addition, we will compile environmental information on products and actively disclose this information to customers. We will work to reduce greenhouse gas emissions through collaboration with companies that form our supply chain by calculating greenhouse gas emissions throughout the supply chain, clarifying stages with large emissions and those with major potential to reduce emissions, and partnering with other businesses.

* Product assessments: Assessments of the environmental impact of a proposed product during the development and design stages in order to create products with less of an environmental burden.

"Eco seeds," what Okamura puts into practice

"Eco seeds" refer to efforts, such as those below, that are conducted in areas that are not visible to customers.

- Material use
- Production methods
- Transportation and packaging



"Eco fruits," what Okamura proposes

"Eco fruits" are products and services that contain numerous numbers of benefits, such as those below, for customers.

- Products and services that use little energy when used
- Creating spaces with little waste and spaces that are highly functional and comfortable
- Products that do not use harmful chemical substances
- Highly versatile and durable products that can be used for many years

→ See Data Fiscal "2019 Environmental Targets/Activities Results and Fiscal 2020 Environmental Targets" (p. 74) for details.

Global Environmental Initiatives

Responding to Climate Change

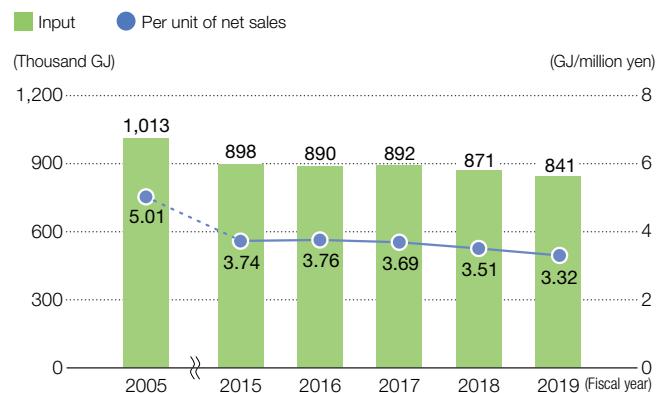
In order to reduce greenhouse gas emissions from business activities, the Okamura Group is moving forward with Group-wide initiatives, including increasing the energy use efficiency of and introducing renewable energy at production plants, introducing energy-saving equipment to and reducing energy use at offices, and improving distribution efficiency. Furthermore, we will work to promote effective measures to prevent global warming with an eye on the entire supply chain.

Status of greenhouse gas emissions in fiscal 2019

In fiscal 2019, greenhouse gas emissions fell 3.6% year on year to 39,274 tons. Emissions per unit of net sales declined 5.6% to 0.155 tons. In addition to working to strengthen measures to reduce greenhouse gas emissions at production plants, which account for

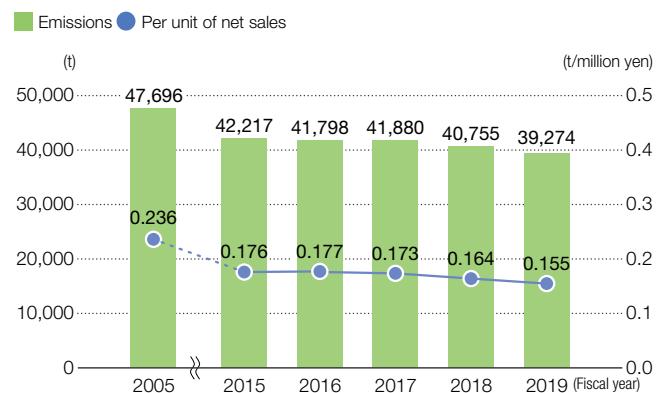
87.7% of the emissions by the Okamura Group, we will continue to engage in efforts to reduce greenhouse gas emissions throughout the Group by further strengthening initiatives at distribution departments and offices.

Total energy input volume



* Companies included in the scope of the report are indicated with a ♦ on page 8 (excluding overseas).

Greenhouse gas emissions



* Companies included in the scope of the report are indicated with a ♦ on page 8 (excluding overseas).

* Excludes LPG cylinders used for such things as water heaters and carbon dioxide cylinders used for welding as their impacts are minor.

Global Environmental Initiatives

Cutting greenhouse gas emissions at the production stage

At the Okamura Group, each plant formulates an energy-saving plan and engages in efforts such as introducing energy-saving equipment and improving operations.

Regarding processes such as the painting line and continuous process for which the operating rate has a major impact on energy productivity, we are engaged in efforts to reduce energy consumption by reviewing work flows and increasing efficiency.

Furthermore, we are striving to improve energy use efficiency by introducing new technologies, such as those to decrease energy use through the effective utilization of waste heat in the painting process. With regard to lighting in production plants, we are moving forward with switching from fluorescent lights and mercury-vapor lamps to LED lighting. Switching to LED lighting will not only reduce energy consumption but also lead to reductions in resource consumption and suppressing waste thanks to the longer durable life of the lights. Okamura is a specified business operator^{*1} under the Energy Saving Law^{*2}, and has two type 1 designated energy management factories^{*3} and two type 2 designated energy management

factories.^{*4} We are engaged in efforts to make more efficient use of energy by managing the energy used.

In addition, under the Ministry of Economy, Trade and Industry's Business Operator Classification Evaluation System, we have been rated an outstanding business operator with excellent energy-saving initiatives (S-class business operator^{*5}) for four consecutive years.

^{*1} Energy Saving Law: The Act on the Rational Use of Energy. The act promotes the efficient use of energy and leveling of electricity demand

^{*2} Specified business operator: A business operator with an oil-equivalent energy use volume of 1,500 kJ/year or more and is obligated to engage in energy management under the Energy Saving Law

^{*3} Type 1 designated energy management factory: A factory with an oil-equivalent energy use volume of 3,000 kJ/year or more

^{*4} Type 2 designated energy management factory: A factory with an oil-equivalent energy use volume of 1,500 kJ/year or more but less than 3,000 kJ/year

^{*5} S class business operator: A business operator that states in its regular report that it has reduced its 5-year average consumption rate by 1% or more (non-binding target) annually or achieved its bench mark target

Initiatives to reduce greenhouse gas emissions at offices

At Okamura's 65 offices throughout Japan, we are continuing our initiatives to save energy and reduce electricity use. We are steadily reducing per person energy use at our offices, with a 7.2% reduction year on year in fiscal 2017, 6.0% in fiscal 2018, and 5.6% in fiscal 2019.

At Okamura, we are moving ahead with energy-saving measures in cooperation with the owners of buildings where we have offices. We have large-scale showrooms at the Hotel New Otani's Garden Court and Garden Tower in Tokyo. Every year, we undertake major renovations and have been switching our base lighting to LEDs in addition to the introduction of wireless dimming systems. Furthermore, we are also progressing with introducing LED lights for some spot lights. In addition to these facility-related measures, we are also striving to reduce greenhouse gas emissions at offices

through numerous other measures, such as thoroughly reducing electricity use by changing or shortening the time that showrooms and shared spaces are open due to work style reforms and using more efficient lighting and OA equipment.



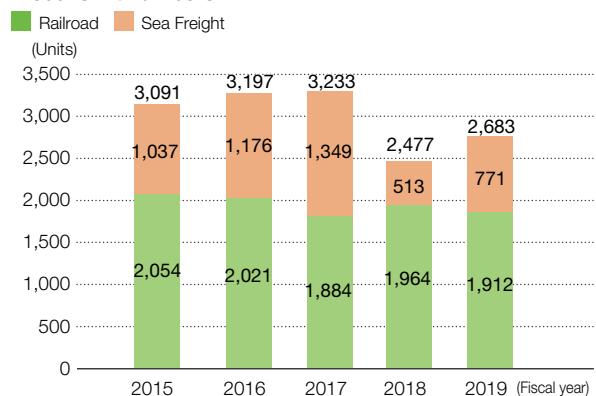
Okamura Garden Court Showroom, which is contributing to reductions in greenhouse gas emissions through continued replacement of lighting and thorough reduction of electricity use

Initiatives to reduce greenhouse gas emissions at the distribution stage

In fiscal 2019, net sales for the Group as a whole rose 2.1% year on year, and greenhouse gas emissions related to transportation increased 514 tons year on year to 25,508 tons. Even so, greenhouse gas emissions per unit of net sales fell 0.21% year on year. We will strive to hold down emissions by continuing initiatives such as modal shifts* and increasing transportation efficiency.

* Modal shift: To switch to the use of railroad containers and marine containers, which have a lighter environmental burden, for long-haul transport

Modal shift numbers



Global Environmental Initiatives

TOPICS

Raising environmental awareness through the Driving Skill Contest



Okamura Logistics Corporation has held the annual Driving Skill Contest since 1992 in order to improve the skills and awareness of drivers. Contestants compete based on knowledge and skills they have acquired through their daily work.

The contest covers not only driving skills and inspection work but also techniques and knowledge related to eco-driving. Making drivers conscious of the burden that truck-based distribution has on the environment increases their environmental awareness and leads to controlling greenhouse gas emissions.



Forklift driving test



Skill Contest winner



Written test

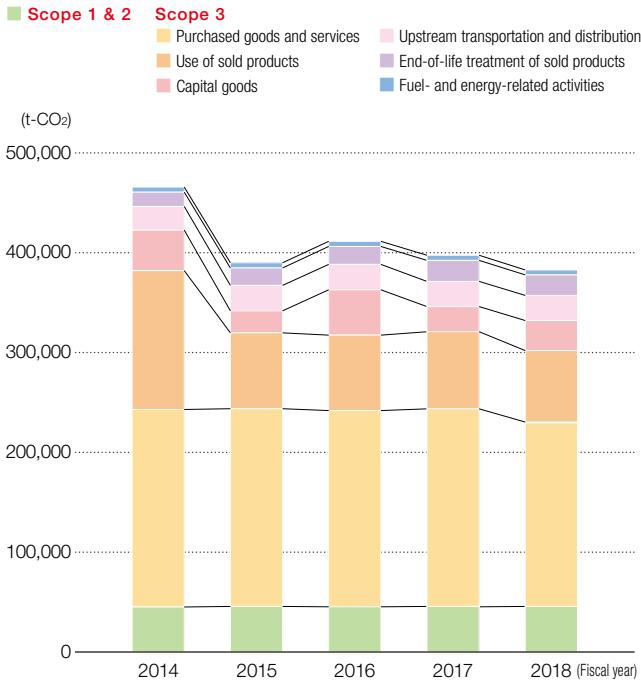
Reducing greenhouse gas emissions throughout the supply chain

In order to move forward with effective measures to prevent global warming, we consider it important to ascertain not only greenhouse gas emissions from Okamura Group business activities (scope 1 emissions^{*1} and scope 2 emissions^{*2}) but also emissions in the supply chain (scope 3 emissions^{*3}) and work to reduce greenhouse gas emissions in both Group business activities and the overall supply chain.

For scope 3 emissions, we will continue to calculate annual figures for the six categories that accounted for more than 1% of total emissions volume for fiscal 2012.^{*4}

In fiscal 2018, scope 1 and scope 2 emissions fell 3.6% year on year and 1.4% year on year, respectively. Turning to scope 3 emissions, there was an increase for category 2 (capital goods) but a decline for other categories, with emissions falling 4.1% overall.

Details of greenhouse gas emissions throughout the supply chain



*1 Scope 1 emissions: Direct emissions. Direct greenhouse gas emissions from the company's own emission sources (plants, officers, vehicles, etc.)

*2 Scope 2 emissions: Indirect emissions from energy sources. Greenhouse gas emissions at the production stage, such as those related to heat and power from other suppliers

*3 Scope 3 emissions: Emissions other than scope 1 and scope 2 emissions. Indirect greenhouse gas emissions from business activities in the supply chain.

*4 Calculated in line with Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain Ver. 1.0 stipulated by the Ministry of the Environment and the Ministry of Economy, Trade and Industry

Global Environmental Initiatives

Resource Saving and Resource Recycling

The Okamura group is working to reduce inputs in business activities through the efficient use of raw product materials as well as resources used in the production and distribution processes. We are also striving to reduce output through zero emission* initiatives at plants and distribution centers as well as promoting the reuse and recycling of used products customers no longer need and proper processing of waste.

* Zero emissions: To completely eliminate the final disposal volume of industrial waste emitted from plants and distribution centers (based on the definition of zero emissions for the Okamura Group)

Fiscal 2019 industrial waste emissions status

Industrial waste emitted due to Okamura Group's business activities include production-related waste, installation waste generated when undertaking interior/finishing carpentry work at offices, and distribution-related waste due to the collection of used products no longer needed by customers. In fiscal 2019, the industrial waste emissions fell 5.8% year on year to 32,427 tons. By field, details were as follows: 51% was production-related waste, 32% was installation work-related waste, and 17% was distribution-related waste. We will move forward with initiatives to reduce emissions in the various fields and to recycle resources.

Emissions by field of industrial waste (fiscal 2019)



* Companies included in the scope of the report are indicated with a ♦ on page 8 (excluding overseas).

Resource saving and resource recycling initiatives at the production, distribution, and installation work stages

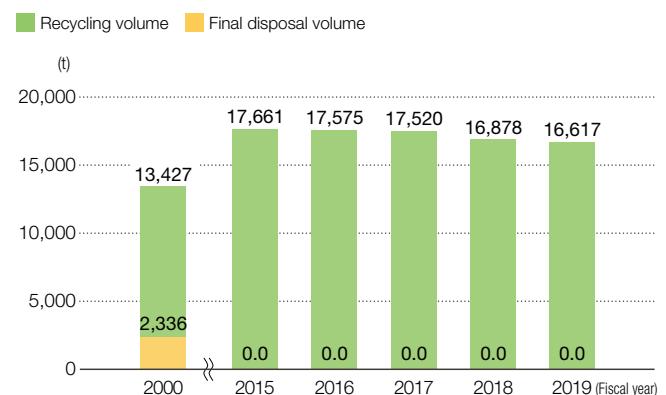
At the Okamura Group, we are moving forward with continuous initiatives to recycle resources and reduce industrial waste emissions in the production, distribution, and installation work stages, and we will increase the effectiveness of activities by sharing information on the details and results of the various initiatives.

◆ Production stage initiatives

At production plants, we are working to save resources and reduce waste by reducing the amount of raw materials used and increasing the efficiency of production processes. Specifically, we are minimizing raw material put to waste and reducing waste through efforts such as working to increase yields, that is, increasing the ratio of products produced compared to raw materials input. In addition, we thoroughly separate waste when it is emitted and recycle waste through intermediate processing companies.

As a result of these initiatives, we have maintained zero emissions at all Okamura plants in Japan since fiscal 2008 and achieved zero final disposal volume for industrial waste in fiscal 2019.

Industrial waste emissions from production plants (volume of recycled resources and final disposal volume)



* Including metal scraps.

* The scope of this report is Okamura Corporation production plants, Kansai Okamura Corporation, NS Okamura Corporation, Sanyo Okamura Corporation, and Seeder Co., Ltd.

Global Environmental Initiatives

◆ Distribution stage initiatives

We collect cardboard used for shipping products and reuse it at distribution centers and production plants. We have steadily expanded targeted products, and in fiscal 2019, we were able to reduce cardboard use by 120 tons through the use of reused cardboard compared to not using reused cardboard.

Okamura Logistics Corporation recycles used desks, chairs, and other products collected from customers when delivering new pieces of furniture. The Yokohama Distribution Center is moving forward with recycling parts and materials through efforts such as carefully separating items by hand, and they have maintained zero emissions since September 2008. The Osaka Distribution Center is also continually working to raise its recycling rate and achieved zero emissions in fiscal 2013. One distribution center after another is also achieving the goal.

In addition to these initiatives, we are reducing waste by returning reusable packaging material to production plants and making use of the material.

From the perspective of responding to the problem of environmental pollution from waste plastic, we are also strengthening initiatives to reduce the amount of packaging material when delivering products and to recycle resources.

◆ Installation work stage initiatives

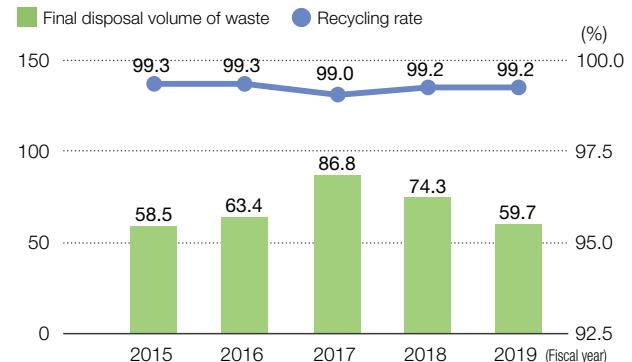
With regard to waste generated at the installation work stage, we are working to reduce emissions by thoroughly separating waste and recycling resources. In fiscal 2019, we reduced waste emissions at the installation work stage 18.5% year on year. We will continue to work to improve the thoroughness of waste separation and strive to reduce waste emissions.



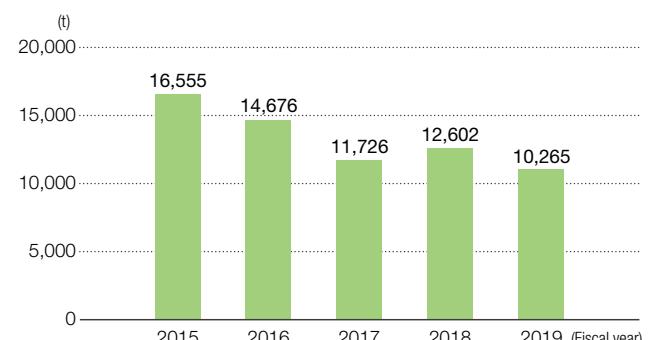
Separating by hand at the Osaka Distribution Center

Recycling rate for used products and packaging material

* Including thermal recycling



Installation work-related industrial waste emissions



TOPICS

Horizontal deployment within the Group of painting pre-treatment process, which dramatically reduces environmental burden

At the Nakai Plant, which produces store fixtures and other products, a large share of the plant's environmental burden comes from the painting process. Therefore, the plant has horizontally deployed and introduced a painting pre-treatment process* developed by NS Okamura Corporation, a Group company.

Phosphoric acid, which had been used in the traditional painting process, creates rust on products if the line stops for an extended period of time. It is necessary to use large amounts of antirust agent and water to prevent this, which led to issues regarding the maintaining chemical processing equipment and chemical sludge, an industrial waste.

NS Okamura Corporation developed a silane coupling agent that did not include any substances subject to the PRTR Act, and by introducing this agent, it was possible to reduce environmental burden by cutting the amount of chemical substances and water used, reduced energy consumption by 3.5%, completely eliminating chemical sludge industrial waste, and in other ways. There were various issues that had to be overcome to apply the new technique to existing equipment, such as adding equipment because of differences in product shape and production lines, changing the process order, and ascertaining quality stability. However, after starting trials in October 2018, we were able to start actual operations in April 2019.

At Okamura Group production plants, we will continue to actively promote measures that contribute to reductions in our environmental burden, such as horizontally deploying technologies and equipment.



Spraying the agent by hand during the pre-treatment process and confirming its effect

* NS Okamura Corporation received the Energy Conservation Grand Prize from the Minister of Economy, Trade and Industry in the Energy Conservation Division and the 2016 Minister of the Environment Award in the Environment Awards for Promotion the Creation of a Recycling-Based Society, sponsored by the Ministry of the Environment for innovating this painting pre-treatment method.

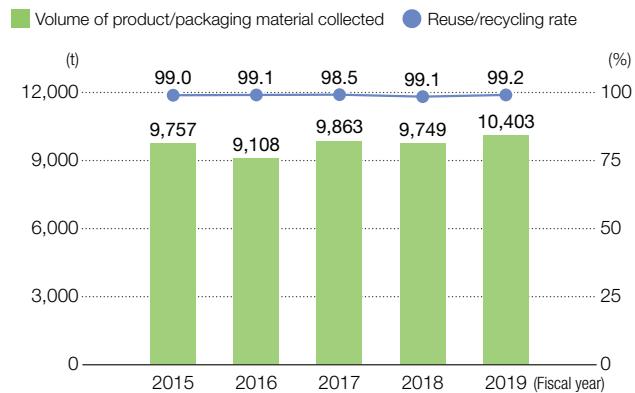
Global Environmental Initiatives

Promoting resource recycling of used products

At the Okamura Group, we not only work to extend the lives of products but also work to recycle resources from used products in order to reduce the environmental burden throughout the product life cycle. We suggest that customers continue to use products if they can continue to be done so. Products that customers no longer use can be collected from them if desired when we deliver new products. We will make effective use of resources and reduce waste through reuse, recycling, and proper processing.

In addition, we work to separate packaging material used for transporting and carrying in products by material and then recycling those materials. We continue to maintain a high level of reuse/recycle in fiscal 2019, at 99.2% of the products we collected from customers and packaging material.

Reusing/recycling collected products and packaging material



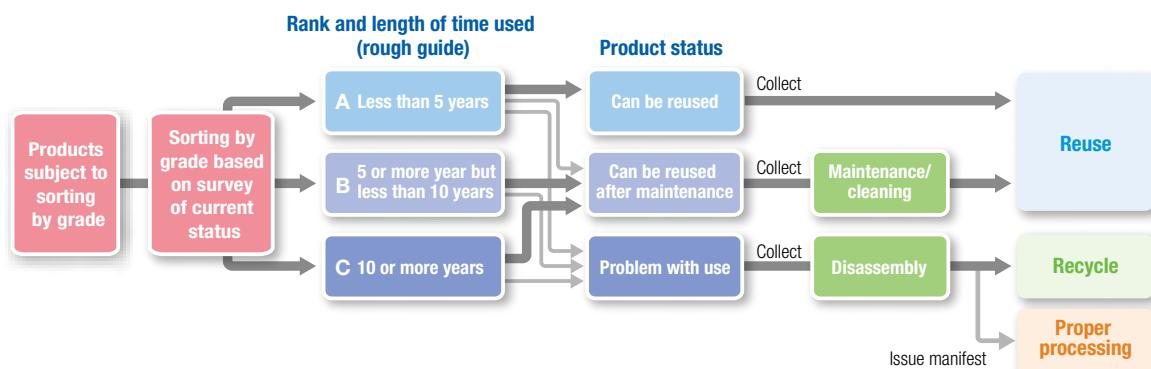
◆ Systematically sorting collected products and promoting reuse and recycling

By carefully sorting products collected from customers based on length of time used, functions, appearance, and other factors as well as whether they can be repaired, we are moving ahead with reusing products and recycling materials. In situations when it is difficult to do this, we properly process and dispose of items.

Method for recycling resources of collected products

Response	Target and resource recycling/processing method
Reuse	If the customer wishes to reuse a product, and if the product can be reused following cleaning and repairs, Okamura Support and Service Corporation purchases and resells the product as a used item.
Recycle	If the customer does not wish to reuse a product and the product cannot be reused due to problems in using it, the product is disassembled, the parts separated, and recycled according to material.
Proper processing	Parts that cannot be recycled are properly processed according to the industrial waste management sheet (manifest) based on the Waste Management and Public Cleansing Act. Industrial waste whose processing has been outsourced to intermediate processing companies and that can be recycled is recycled by the business operator.

Sorting and processing flow for collected products



Global Environmental Initiatives

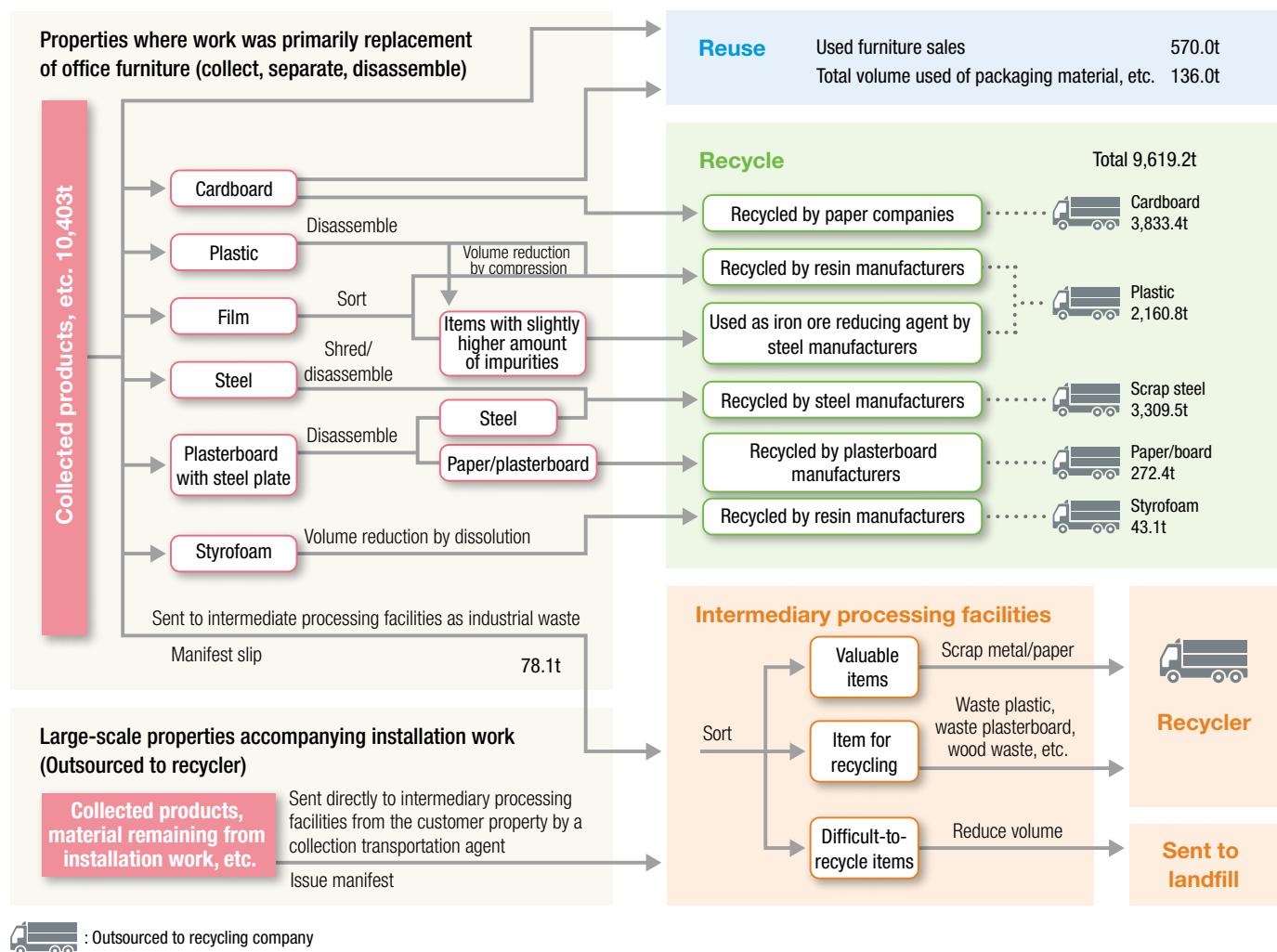
Used product collection and reuse business

In order to meet the needs of customers considering purchasing reuse products for any of various reasons such as for environmental considerations or increasingly diverse purposes of use, Okamura Support and Service Corporation, as a company with a secondhand dealer license, collects and reuses used office furniture. If the customer so wishes at the time of product collection, products that

can be reused will be (purchased and resold as used items), leading to reduced environmental burden through long-term use of products.

In fiscal 2019, we were requested to collect 662 tons of items that customers wished reused, of which 86.1%, or 570 tons, was reused.

Status of reusing/recycling collected products and packaging material in fiscal 2019



Managing Chemical Substances and Preventing Pollution

We at the Okamura Group are fully aware of the possible impact on the environment and human health posed by chemical substances used when producing products and as product raw materials. As a result, we are working to strengthen our management of chemical substances. In addition, we thoroughly undertake proper management of the related facilities, such as those of development and production departments, in order to prevent pollution.

2019 targets and achievement status

The Okamura Group works to continuously reduce the volume of released and transferred substances subject to notification^{*2} under the PRTR Act,^{*1} and for fiscal 2019, we have cut volume by 3.2% compared to a target of a reduction of 1.0% per Group production plant finished product. We are making steady progress in reducing the volume of such substances through various measures such as switching painting pre-treatment agents and adhesives to those

that do not contain substances subject to notification under the PRTR Act.

^{*1} PRTR Act: Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof. The law requires that the amount of harmful chemical substances released and transferred be ascertained and managed

^{*2} Substances subject to notification: Substances of which 1,000 kg or more are handled per year

Volume of substances subject to notification under the PRTR Act released (fiscal 2019)

Class	Cabinet Order number	CAS Number	Substance name (alias)	Amount handled (kg)	Amount released (kg)		Amount transferred (kg)	
					Released into air	Released into public waters	Transferred to sewer	Other transfers
Class 1	053	100-41-4	Ethylbenzene	18,344.3	16,824.3	0.0	0.0	1,441.6
Class 1	076	105-60-2	Epsilon-caprolactam	11,324.1	1,194.0	0.0	0.0	4.7
Class 1	080	-	Xylene	39,548.6	34,396.0	0.0	0.0	2,817.6
Class 1	186	75-09-2	Dichloromethane	4,673.6	4,645.2	0.0	0.0	28.4
Class 1	239	-	Organic tin compounds	2,723.0	188.6	0.0	0.0	416.6
Class 1	296	95-63-6	1,2,4-Trimethylbenzene	18,777.0	17,354.8	0.0	0.0	1,216.5
Class 1	297	108-67-8	1,3,5-Trimethylbenzene	5,210.3	4,804.3	0.0	0.0	325.1
Class 1	298	26471-62-5	Tolylene diisocyanate	46,463.0	0.0	0.0	0.0	65.3
Class 1	300	108-88-3	Toluene	27,874.5	26,092.0	0.0	0.0	1,460.8
Class 1	302	91-20-3	Naphthalene	3,575.7	3,139.5	0.0	0.0	253.1
Class 1	392	110-54-3	n-Hexane	3,818.9	2,913.8	0.0	0.0	905.2
Class 1	407	-	poly(oxyethylene) = alkyl ether (only those with an alkyl group carbon number of 12 through 15 or compounds of these)	1,635.4	15.1	493.0	0.0	1,104.7
Specific Class 1	411	50-00-0	Formaldehyde	2,365.0	2,108.7	0.0	0.0	162.4
Class 1	448	101-68-8	Methylenebis(4,1-phenylene) diisocyanate	100,807.5	11.1	0.0	0.0	7.4
Total				286,941.0	113,687.4	493.0	0.0	10,209.4

Management of chemical substances in products

Because the Okamura Group uses chemical substances for such things as surface processing agents, adhesives, resins, and decorative material, we have established Hazardous Chemical Substance Management Criteria and manage these chemical substances. Specifically, we check if regulated chemical substances have been used during product development or design, and if they have, we change them to materials that have less of an

environmental burden.

Furthermore, we select members from related in-house departments and promote projects to strengthen the chemical substance management system in order to appropriately respond to various environmental standards and chemical substance-related regulations that are becoming stricter both in Japan and overseas.

Preventing pollution through proper management of chemical substances

At Okamura, we have high-voltage condensers and fluorescent lighting ballasts, which are equipment that contain polychlorinated biphenyls (PCBs). We notify government authorities regarding this

equipment as stipulated by laws and regulations, and we strictly manage and store them until we are able to process them at designated facilities.

Conserving Biodiversity and Use of Timber—ACORN Activities

Our lifestyle and economic activities are supported by nature and the chain of activities of numerous living creatures. The Okamura Group's business activities are possible because of the bounties of nature, which fosters rich biodiversity, but those same activities also have an impact on biodiversity. Aware of its responsibilities as a company that uses forest timber in its products, the Okamura Group strives to conserve biodiversity and use forest resources in a sustainable manner.

Promoting ACORN activities

ACORN is the name that the Okamura Group has given to our actions that we conduct and promote with the aim of coexisting with nature, conserving biodiversity, and sustainable use of timber. Acorns are essential for the next seeds to take root and symbolize Okamura's activities.

In order to further expand ACORN activities throughout the company, we have assigned a person in charge in each region to promote the activities and work to raise employee awareness of the environment by holding study groups and training, conducting environmental protection activities that take into consideration the unique traits of the region. Furthermore, we are broadening the ring of activities in order to protect the natural environmental and create a sustainable society by deepening customer understanding of biodiversity and sustainable use of timber.

Okamura endorses the Declaration of Biodiversity by Keidanren^{*1} and Action Policy (revised in 2009), in which Keidanren indicates its resolve and action plan to conserve biodiversity from a corporate perspective, and we are moving forward with initiatives based on the declaration's intent.

*1 Keidanren :Japan Business Federation



Global Environmental Initiatives

Status of the use of timber and the Timber Use Policy

Okamura uses timber for various products, including office furniture, education system furniture, and store fixtures. In fiscal 2019, wood material accounted for 3.1% of Okamura Group's total raw material input. A breakdown reveals that 15.9% of that was wood material from raw wood, which includes natural wood^{*1} and plywood,^{*2} and 84.1% was wood material not from raw wood, such as thinned wood^{*3}, waste timber, and unused material and wood boards (MDF and particle boards; a product of unused material made through secondary processing).^{*4}

Considering the vital position of timber use in the relationship between our business activities and the conservation of biodiversity, the Okamura Group is promoting the sustainable use of forest resources that takes into consideration biodiversity, based on the Okamura Group Timber Use Policy, which was formulated in October 2009.



*1 Natural wood: Material, such as boards, cut to the required size directly from raw wood

*2 Plywood: A material manufactured from thin sheets shaved from logs (veneers) that are glued together with each sheet layered on top another so that their wood grains are orthogonal to each other. Commonly referred to as "beniya-ita" in Japanese.

*3 Thinned wood: Timber made from trees cut to keep forests from becoming overcrowded due to the long life of the trees

*4 Wood boards: Sheets made by finely chopping wood-based raw materials into fiber or small chips and then re-forming it into a sheet using adhesive or other bonding agent. An example of the former is medium-density fiberboard (MDF) while an example of the latter is particle board, and the main component of those is recycled wood material

Okamura Group Timber Use Policy

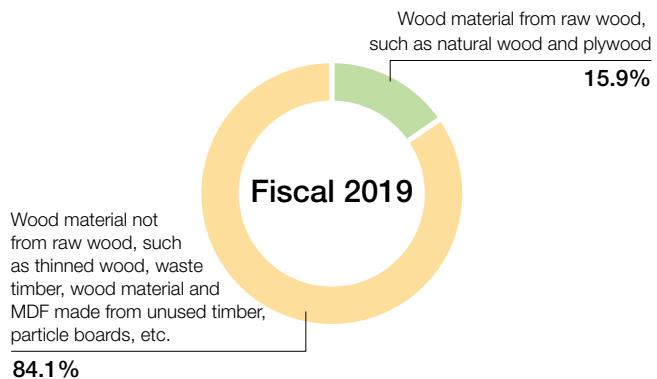
1. We will not use the following timber.

- 1) Endangered species
- 2) Timber illegally cut, produced, or traded
- 3) Timber that has a negative impact on forest ecosystems or local communities

2. We will make greater use of the following types of timber.

- 1) Timber that has received a trustworthy forest certification (or timber with an equivalent guarantee)
- 2) Construction scrap wood and recycled material
- 3) Domestic and local timber

Status of timber use at the Okamura Group



Product development based on the Timber Use Policy

At the Okamura Group, we not only develop products based on the Timber Use Policy but also promote the sustainable use of forest resources by proposing to customers spaces that make use of these products.

◆ Use of timber that has received a trustworthy forest certification

Having obtained FSC® certification^{*1} (CoC certification^{*2}), an internationally recognized forest certification system, in June 2010, Okamura is moving forward with the development and sale of products that use FSC®-certified timber. As of March 2019, we have expanded the use of FSC®-certified timber to products in 10 product series. By moving ahead with the use of FSC®-certified timber, we are contributing to expanding opportunities for many people to use products made from timber that takes the environment into consideration.

In October 2019, our Mokunowa wood education furniture, which was developed jointly with the Furuya Laboratory at the Department of Architecture at Waseda University and uses FSC®-certified Tenryu wood, won a Japan Wood Design Award, which recognizes particularly outstanding products and efforts that make it possible to rediscover the value of wood from a consumer perspective. (See p. 38 for related information)

*1 FSC® certification: An international certification system for properly managed forests. The Forest Stewardship Council® (FSC) is an international non-profit organization whose objective is to spread responsible forest management globally. See www.fsc.org for details.

Certification number: SGSHK-COC-350013

Trademark license code: FSC-C092797

*2 Chain-of-custody (CoC) certification: An FSC® certification for production, processing, and distribution processes



Children playing with Mokunowa at Hamamatsu Ryuzenji Elementary School

Global Environmental Initiatives

◆ Reducing the environmental risk accompanying the use of timber

At the Okamura Group, we conduct an annual investigation and ascertain the species, volume handled, and place of origin of the timber used as material with the goal of reducing environmental risk accompanying the use of forest resources.

In addition to conducting an annual investigation to check that endangered species are not being used by referring to the Washington Convention (CITES)*¹ and JOIFA Priority Management Material,*^{2, 3} we examine timber legality*⁴ based on the Act on Promoting Green Procurement⁵ for each product. Okamura has been certified as a legal timber and timber product business operator by JOIFA and will continue to strengthen our management system based on certification requirements.

*1 Washington Convention (CITES): The Convention on International Trade in Endangered Species of Wild Fauna and Flora

*2 JOIFA: The Japan Office Institutional Furniture Association. An office furniture industry association.

*3 JOIFA Priority Management Material: Timber selected by JOIFA based on the Washington Convention and other agreements, whose use is managed for various purposes, including ascertaining actual use.

*4 Act on Promoting Green Procurement: The Act on Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities. A law aimed at expanding demand by having government bodies, including the national government, take the lead in purchasing environmental products, providing related information, and taking other measures

*5 Timber legality: Refers to properly completing procedures in line with forest-related laws and regulations in the country or region the raw wood was produced when felling timber

Species, country or origin, and volume of timber handled by Okamura (fiscal 2019)

Species	Timber form	Volume handled (converted to m ³)	Export country/region (country of origin)
Luan	Natural wood, plywood, molded plywood	1,831.13	Indonesia, Malaysia, Japan, France
Poplar	Natural wood	109.06	North America
Kapur	Natural wood, plywood	223.70	Indonesia, Malaysia
Rubberwood	Natural wood, laminated wood	69.34	Malaysia, Thailand
Beech	Natural wood, plywood, veneer	112.59	New Zealand, France, Northern Europe, Germany, other
Beech	Natural wood, plywood, molded plywood, veneer, laminated wood	190.89	Denmark, Germany, Japan
Japanese cypress	Natural wood, laminated wood	22.62	Japan
White oak	Solid natural wood, veneer (tanpan), veneer (tsukiita)	14.60	North America, Africa
Ayous	Veneer (tanpan), veneer (tsukiita), laminated wood	30.24	Africa
Rosewood	Veneer	8.69	Southeast Asia, South America
Others	Natural wood, plywood, veneer, etc.	71.50	
Total		2,684.37	

Environmental Considerations in Products and Services

In addition to meeting the diverse needs of customers, the Okamura Group helps customers reduce their environmental burden by providing environmentally conscious products and services through our business activities. We strive to develop and provide products that have the lowest possible level of environmental burden throughout their life cycle by considering everything from the selection and procurement of raw materials to production, distribution, use, recycling and disposal.

Development of environmentally conscious products

Having positioned eco-design as an important perspective in product development, the Okamura Group is working to reduce the environmental burden throughout the product life cycle. We conduct product assessments^{*1} at the planning and design stages and work to develop products with a lower environmental burden by reducing the amount of raw materials used, using recycled material, creating structures that make recycling easier, increasing the service life of products by improving durability, avoiding the use of hazardous chemical substances, saving energy, and implementing other measures. (See p. 36–37 for related information)

When promoting the environmental consciousness of products, we strive to reduce the environmental burden by setting Okamura

Group proprietary standards and emphasizing compliance with independent certification standards. For office furniture, we are working to acquire US GREENGUARD^{*2} certification related to chemical substance emissions in indoor spaces, and we have obtained the stricter GREENGUARD Gold certification for many of our products in fiscal 2019.

*1 Product assessments: Assessments at the development and design stages of the product of the impact that it has on the environment in order to develop products with less of an environmental burden

*2 GREENGUARD certification: An environmental certification established by United States Environmental Protection Agency (USEPA). Environmental standards for indoor construction material, including office furniture, that are established to further improve people's health and living environment. There is both a normal certification and a stricter GOLD certification

Providing Green Wave and Green Wave+ products

Okamura specially created these environmental product standards, and the Green Wave standard was put into practice in 1997. We certify environmentally conscious products based on seven criteria, namely: Resource saving, Use of recycled materials, Recycling ability, Reusability, Long service life, Safety and environmental protection, and Energy conservation. We certify products that meet these criteria as recommended products bearing the Green Wave logo.

In 2010, considering various factors such as changes in social conditions and international trends related to the environmental friendliness of products, we created the Green Wave+ standard for products that are even more environmentally friendly. By offering these products to our customers, we are helping to reduce the burden on the environment. In fiscal 2019, Green Wave and Green Wave+ products accounted for 81% of product sales (excluding purchased products) in the Office Furniture business and 77.5% in the Store Displays business. We will continue to expand our lineup of environmentally conscious products and actively propose them in order to contribute to reductions in the environmental burden of customers.



Green Wave logo



Green Wave+ logo

Global Environmental Initiatives

Green Wave and Green Wave+ criteria

Item (purpose)	Target	Green Wave criteria	Green Wave+ criteria
Required			
■ Safety	For products using materials for which there are JIS or JAS formaldehyde emissions standards, all materials have received F ★★★★ or higher certification, alternatively, materials of equivalent quality are used		
	Products that comply with management criteria for hazardous chemical substances that should be regulated		
Optional			
■ Resource saving Streamlining use of raw materials, etc.	Products that use timber for their main material, apart from metal	Products that use timber obtained from sustainable forests, unused timber, or rapidly renewable materials	Products whose main material, apart from metal, is biomass, at least 25% of which is rapidly renewable materials, or are forest-certified products
	Products that are lighter	Products that are lighter while maintaining the functions of traditional equivalent products	Products that result in greenhouse gas reductions of 6% or more based on materials or 5% or more when the whole products is taken into account.
■ Use of recycled material Streamlined use of raw materials, etc.	Products that use plastic for their main material, apart from metal	Products for which recycled plastics account for 10% or more of the total amount of plastics	Products for which post-consumer recycled material ^{*1} accounts for 20% or more of total product mass
	Products that use paper for their main material, apart from metal	Products for which recycled paper accounts for 50% or more of total paper mass	Products for which plant-based plastics for which an environmental burden reduction effect has been confirmed account for 25% or more of total plastic mass
	Products that use timber for their main material, apart from metal	Products that use recycled timber	
■ Recycling Structural ingenuity Ingenuity for separation	Products that can be broken down into a single material components	Products for which 70% or more of the total mass can be broken down into single material components using general tools and for which 90% or more of the resin and non-metal parts used in the product are included in the material list (target products: products 30g or heavier)	Products for which 95% or more of the total mass can be broken down into single material components using general tools and for which 90% or more of the resin and non-metal parts used in the product are included in the material list and for which a disassembly manual will be created and made available (target products: products 30g or heavier)
■ Reusability Reusability considerations	Products that themselves and their parts are reusable	Products with a structure that can be reused	Used products or parts of used products will be collected and made into new products
■ Long service life Promote long-term use	Products whose parts can be easily repaired with general tools Or, products whose software can be updated	Products whose consumable parts are service parts	Products that meet overseas global strength standards (e.g. BIFMA ^{*2} , GS ^{*3})
		Products that are easy to maintain (e.g., covering, cleaning, software updates, etc.)	
		Products that can be upgraded by changing or adding products or certain parts	
■ Safety and environmental protection Safety considerations	Products that use less hazardous chemical substances	For products using materials for which there are JIS or JAS formaldehyde emissions standards, all materials have received F ★★★★ or higher certification, alternatively materials of equivalent quality are used	Products that not only meet the Green Wave criteria on the left but also have a formaldehyde emission speed of 5µg/m ² or less
		Products, etc., that use materials and parts that reduce environmental burden more than previously	Products that adhere to the prohibition on the use of specified hazardous substances (must comply with RoHS Directive ^{*4}) or products for which it has been confirmed that they do not use substances regulated by the REACH Regulation ^{*5} or use them in a permitted manner
■ Energy conservation Reduced consumed energy	Products aimed at reducing consumed energy when used	Products that reduce consumed energy by 10% or more compared to traditional equivalent products	Products that can reduce greenhouse gas emissions (CO ₂ equivalent) 30% when used compared to current equivalent products

If the following two conditions are met, the product is judged to be a Green Wave or Green Wave+ product.

- Meet all the criteria in the required items listed above.
- Meet one of the criteria in the optional items listed above.

*1 Post-consumer recycled material: Material that was released to the market, collected after use, and then recycled.

*2 The Business and Institutional Furniture Manufacturers Association (BIFMA): A North American officer furniture industry organization

*3 Geprufe Sicherheit (GS): German safety certification

*4 RoHS Directive: Regulation issued by the EU regarding the use of specified hazardous materials in electrical and electronic equipment (cadmium, lead, mercury, hexavalent chromium, polybrominated biphenyl, polybrominated diphenyl ethers, etc.)

*5 REACH Regulation: Regulation related to chemical substances enacted in the EU in 2007

Global Environmental Initiatives

Initiatives in procurement activities

◆ Environmental consciousness in material procurement

As a company that procures various raw materials and parts and produces and sells products, the Okamura Group recognizes the importance of promoting green purchasing^{*1} and we are moving forward with related activities in cooperation with suppliers. Based on the Green Procurement Guidelines that clarify our approach toward and view of initiatives related to green purchasing, we conduct surveys of suppliers and strive to procure materials that have a light environmental burden from suppliers who actively undertake environmental activities.

In addition, we have created a Materials Guide that establishes criteria for procurement activities; procure materials that comply with the Chemical Substances Control Act,^{*2} Building Standards Act, as well as various EU laws and regulations^{*3}; and are moving forward with environmentally conscious procurement of even materials that are not subject to the various laws and regulations taking into consideration the criteria stipulated in the laws and regulations.

^{*1} Green purchasing: Refers to carefully considering necessity and taking into consideration the environment when purchasing products and services and then selecting and purchasing those that place a minimal burden on the environment

^{*2} Chemical Substances Control Act: The Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. The purpose of the law is to prevent environmental pollution by chemical substances that may have an impact on human health or the ecosystem

^{*3} Various EU laws and regulations: REACH Regulation, RoHS Directive, etc. In the EU, progress is being made in establishing laws to manage chemical substances and their use in order to protect human health and the environment

◆ Reducing environmental burden in collaboration with suppliers

By disclosing the Materials Guide to our suppliers and sharing our approach toward material procurement, the Okamura Group supports suppliers promote environmentally conscious material procurement. In addition to these initiatives, we encourage suppliers to conduct green purchasing in their business activities and are moving forward with the joint development of environmentally conscious materials with suppliers through communication such as providing information at the Okamura Metropolitan Area Partner Association. (See p. 13 for related information)

Supporting efforts to extend the life of products

The Okamura Group has established an integrated support system for after-sales maintenance for products purchased by customers. Our Group company, Okamura Support and Service Corporation, provides support that extends the life of purchased products, such as maintenance and inspections, repairs and servicing, and cleaning. This is done for a wide range of Okamura products, including office furniture, architectural products in public spaces, and disaster prevention equipment such as flood barriers. Having customers use our products for many years has various benefits, including increasing customer satisfaction while also reducing resource consumption and waste, which contributes to the creation of a sustainable society.

◆ Maintenance and inspections

In order to maintain products in their optimal condition and keep them easy to use, we propose that customers receive regular inspections after a certain amount of time has passed. Regular inspections of products makes possible the early detection of areas that need repairs.

◆ Repairs

In order to extend the life of products beloved by customers, we provide an environment in which customers can maintain the condition of those products and continue to use them with peace of mind by having our specialist employees use their expertise to conduct repairs.

◆ Cleaning and refurbishing

We offer cleaning services to our customers so that they are able to use our products in an optimal condition for many years and maintain a comfortable office environment. Almost all office furniture, including partitions, office seating, and lockers, can be cleaned. Using a cleaning method appropriate for each material, we are able to effectively remove dirt and restore the material's original feel and beauty. In addition, for items that are extremely dirty or damaged and cannot be dealt with by cleaning, we propose refurbishing, such as replacing the fabric.



Repairing a cabinet



Cleaning office seating



Inspecting movable partitions

Environmental Education and Awareness-Raising Activities

We state the reduction of our environmental burden in all business activities in our Environmental Policy, and the Okamura Group focuses on environmental education and awareness-raising activities.

◆ Expanding our environmental education program

At the Okamura Group, we have created a systematic environmental education program, the goal of which is have all employees understand the significance and importance of environmental protection activities, have each employee understand their role

appropriate for their position, and act in a corresponding manner. We also create opportunities to learn about the natural environment, biodiversity, and other issues through hands-on activities and promote and put into practice greater environmental awareness.

Okamura environmental education

Type	Target	Title	Content
Required education	New employees	New Employee Training	<ul style="list-style-type: none"> Environmental issues Introduction to EMS^{*1}: Corporate activities and environmental burden
		New Employee Follow-up Training	<ul style="list-style-type: none"> Practical EMS activities
	Mid-career hire	Mid-Career Hire Training	<ul style="list-style-type: none"> Environmental issues Introduction to EMS: Corporate activities and environmental burden
Department education (based on ISO14001 ^{*2})	All employees	General Education	<ul style="list-style-type: none"> Environmental Policy and company-wide environmental objectives, targets, and implementation plan Green office activities
		Specialized Education	<ul style="list-style-type: none"> Environmental objectives, targets, and implementation plans for each department Education and training to match notable environmental aspects
		Manager Education	<ul style="list-style-type: none"> EMS as managers, etc.
FSC® education (based on CoC certification)	All employees	General Education	<ul style="list-style-type: none"> Understanding certification systems
	Related departments	Specialized Education	<ul style="list-style-type: none"> Understanding management rules and procedures
Hands-on education	All employees	Biodiversity and Reforestation Training	<ul style="list-style-type: none"> Biodiversity conservation and forest maintenance (including fieldwork)
	Persons in charge of promotion		<ul style="list-style-type: none"> Knowledge to promote ACORN activities

*1 EMS: Environmental management system

*2 ISO14001: International standards for environmental management systems stipulated by the International Organization for Standardization (ISO)

◆ Conducting systematic environmental education

There is both required education for all new employees and mid-career hires as well as department education developed by each department based on ISO14001 in order to deepen employee understanding of the environmental burden of corporate activities, Okamura Group's Environmental Policy and plans, and initiatives based on the environmental management system so that they are able to convert this education into concrete steps to achieve the goals.

In addition, for related departments that handle FSC®-certified products and materials, there is extensive education in order to share and thoroughly implement matters pointed out during annual in-house and independent audits as well as improvements made during daily operations. For ISO14001 education, which all employees must take, items related to FSC® certification have been included, which promotes understanding of the system.

(See p. 58 for related information)

Global Environmental Initiatives

Environmental Efficiency

At the Okamura Group, we conduct assessments using environmental efficiency indicators and tie these to promoting environmental management in order to minimize the environmental impact of our business activities and maximize value provided to society.

◆ Setting environmental efficiency indicators*

The five environmental efficiency indicators that we have set are greenhouse gas emissions, water resources, PRTR (hazardous chemical substances), industrial waste, and environmentally conscious products. Using 2000 as a base year, we ascertain and assess changes by comparing our net sales against the various environmental indicators mentioned above.

* Environmental efficiency indicator: An indicator based on the concept of environmental efficiency, which assesses corporate management from the aspects of both value (net sales) and environmental burden of products and services produced through corporate activities. In many cases, it is calculated as a ratio whose numerator is the environmental burden and denominator is net sales. Environmental efficiency indicators improve when the environmental burden decreases relative to net sales

◆ Fiscal 2019 integrated environmental efficiency indicators

With the base year of fiscal 2000 as 1.0, the integrated environmental efficiency indicator was approximately 3.7. While Group net sales have risen 35% compared to fiscal 2000, the base year, the various indicators have also improved due to continued initiatives to reduce environmental burden. We will expand these activities with the goal of steadily improving environmental efficiency indicators.

Changes in environmental efficiency indicators

$$\blacksquare \text{ Integrated environmental efficiency index} = \sum_{n=1}^5 (I_n \times w_n)$$

* w is the weight for each

$$\bullet \text{ Water resource indicator} = \frac{(\text{Net sales}/\text{water resource input volume})}{(\text{Base year } (\text{net sales}/\text{water resource input volume}))}$$

$$\text{Industrial waste indicator} = \frac{(\text{Net sales}/\text{industrial waste final disposal volume})}{(\text{Base year } (\text{net sales}/\text{industrial waste final disposal volume}))}$$

* Industrial waste indicator is not shown on graph as zero emissions have been achieved and maintained since fiscal 2008

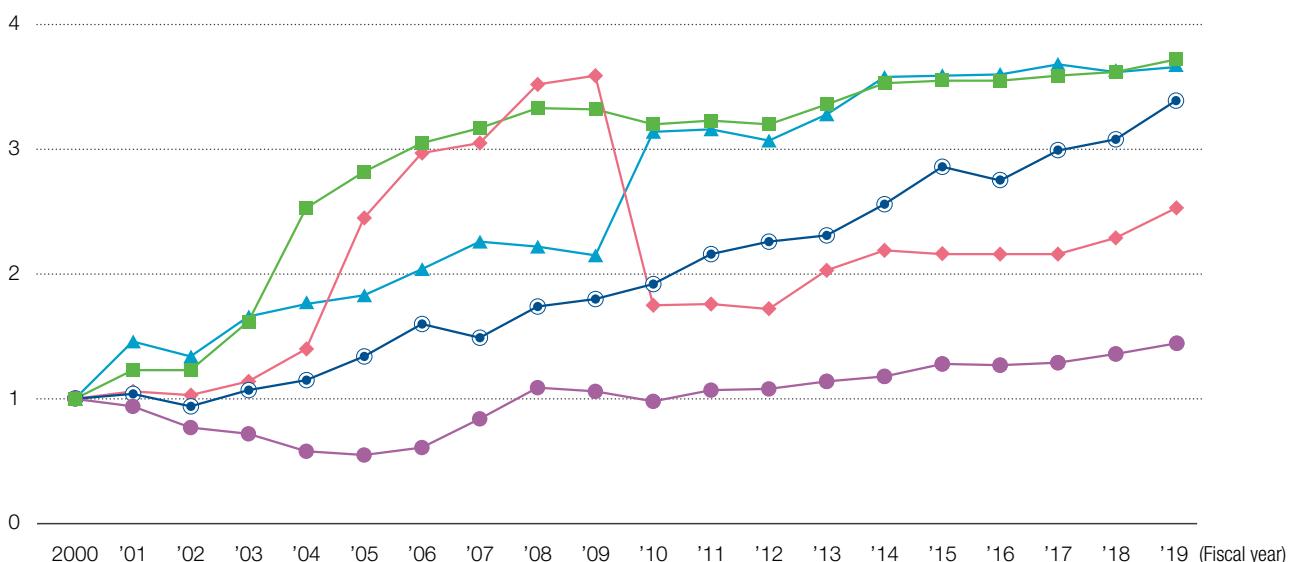
$$\bullet \text{ Greenhouse gas indicator} = \frac{(\text{Net sales}/\text{greenhouse gas emission volume})}{(\text{Base year } (\text{net sales}/\text{greenhouse gas emission volume}))}$$

$$\diamond \text{ PRTR indicator} = \frac{(\text{Net sales}/\text{volume of PRTR substances handled})}{(\text{Base year } (\text{net sales}/\text{volume of PRTR substances handled}))}$$

$$\triangle \text{ Environmentally conscious product indicator} = \frac{(\text{Net sales of environmentally conscious products}/\text{net sales})}{(\text{Base year } (\text{net sales of environmentally conscious products}/\text{net sales}))}$$

* Net sales: Group net sales

(Indicator)



Global Environmental Initiatives

Environmental Accounting

The Okamura Group introduced managerial accounting-linked environmental accounting in fiscal 1997. Since 2001, we have broadened the scope to the entire group in order to ascertain the effects and costs of environmental protection for all business activities.

Fiscal 2019 status

Fiscal 2019 net sales rose 2.1% year on year. Even so, energy input, industrial waste emissions, CO₂ emissions, water input, and volume of substances subject to the PRTR Act handled per unit of net sales all fell. We continued to make investments and implement measures to reduce environmental burden, which incurred costs.

Scope: Okamura Group (Okamura Corporation, Kansai Okamura Corporation, NS Okamura Corporation, Sanyo Okamura Corporation, Okamura Logistics Corporation, and Okamura Support and Service Corporation)

Period: April 1, 2019–March 31, 2020

◆ Environmental protection costs

Environmental conservation costs for the Okamura Group in fiscal 2019 were 39.6 million yen (32.8 million yen for the previous fiscal year) in investments and 1,038 million yen (877 million for the previous fiscal year) in expenses. Investments were primarily for upgrading to energy-saving production equipment and introducing high-efficiency lighting.

◆ Environmental protection effects

We were able to reduce total energy input and lower energy input per unit of net sales by increasing production process efficiency, introducing energy-saving production equipment and lighting, and taking other steps.

As for water use, we reduced input per unit of net sales by cutting the amount of water used in the painting process.

→ See Environmental Data “Environmental Management Data for Production Plants and Main Subsidiaries and Associates (Fiscal 2019)” for results for each plant (p. 77)

Environmental protection costs

(Unit: Millions of yen)

Category	Main initiatives	Investment	Cost
1. Business area costs	Business area costs total	39.6	348
1-1. Pollution prevention costs	Preventing air pollution, water pollution, bad smells, etc.	0.8	103
1-2. Global environmental protection costs	Preventing global warming, protecting the ozone layer, energy saving, etc.	38.8	79
1-3. Resource recycling costs	Reducing water use, using rainwater, reducing waste, recycling, etc.	—	167
2. Upstream, downstream costs	Green purchasing, collecting products and packaging, recycling, etc.	—	326
3. Management activity costs	Environmental burden monitoring and measurements, operating the environmental management system (EMS), etc.	—	167
4. R&D costs	Developing environmentally conscious products, reducing environmental burden during production, etc.	—	195
5. Social activity costs	Supporting environmental protection organizations, etc.	—	3
6. Environmental damage response costs		—	—
7. Other costs		—	—
Total		39.6	1,038

Global Environmental Initiatives

Environmental protection effects

Category	Environmental performance indicators (units)	Fiscal 2018	Fiscal 2019	Year on year difference
Environmental protection effects related to resources input into business activities	Total energy input (GJ)	870,776	841,192	-29,710
	Per unit of net sales (GJ/million yen)	3.51	3.32	-0.19
	Water resource input (m ³)	233,574	216,754	-16,819
	Per unit of net sales (m ³ /million yen)	0.94	0.86	-0.09
	Volume of substances subject to the PRTR Act handled (kg)	301,343	288,302	-13,042
	Per unit of net sales (kg/million yen)	1.22	1.14	-0.08
Environmental protection effects related to environmental burden and waste from business activities	CO ₂ emissions (t-CO ₂)	40,755	39,274	-1,481
	Per unit of net sales (t-CO ₂ /million yen)	0.16	0.16	-0.01
	Release/transfer of substances subject to the PRTR Act (kg)	131,507	125,691	-5,816
	Per unit of net sales (kg/million yen)	0.53	0.50	-0.03
	Emissions of waste, etc. (t)	16,878	16,617	-260
	Per unit of net sales (t/million yen)	0.07	0.07	0
	Final disposal volume of waste, etc. (t)	0	0	0
Environmental protection effects related to finances and services generated from business activities	Per unit of net sales (t/million yen)	0.00	0.00	0
	Net sales of Green Wave products (million yen)	98,342	99,637	1,294
	Share among standard products (%)	79.6%	80.2%	0.6%
	Net sales of products that comply with the Act on Promoting Green Procurement (million yen)	56,500	58,937	2,437
	Share among standard products (%)	60.7%	61.5%	0.8%
	Volume of collected products and packaging material recycled (t)	626	706	80
Other environmental protection effects	Per unit of net sales (kg/million yen)	2.52	2.79	0.26
	Ratio of green purchased office supplies (%)	68.1%	70.7%	2.6%
	Shipping volume stemming from modal shift (units)	2,477	2,683	206

Total for relevant period

(Unit: Millions of yen)

Item	Details, etc.	Amount
Total investment for relevant period	Upgrading of production facilities, increasing labor efficiency, alternative to industrial fuel costs, etc.	466
Total R&D expenses for relevant period	Reduction in environmental burden during new product R&D and production	898

Economic effects associated with environmental protection measures

(Unit: Millions of yen)

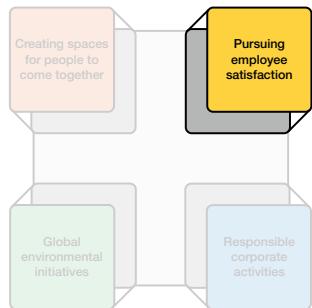
Effect details		Amount
Revenue	Business from recycling waste generated from main business activities or recycling used products, etc.	272
	Subsidies and grants	—
Reduction in expenses	Reduction in energy expenses through energy-saving	1
	Reduction in waste processing expenses due to resource saving and recycling	2
	Reduction in costs through reuse	15

Net sales

(Unit: Millions of yen)

	Fiscal 2018	Fiscal 2019	Year on year difference
Net sales (consolidated)	247,925	253,170	5,245

Pursuing Employee Satisfaction



Pursuing Employee Satisfaction

In addition to making our workplaces both healthier and safer, we respect the diversity of our employees and provide them working environments that promote fulfillment in their work and achieving personal growth through cooperation.

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Contribution to SDGs



Employee Satisfaction for All

In line with our Basic Policy that is based on the five words of the company creed, “creativity, cooperation, frugality, savings and service,” we have formulated a Human Resources Policy, whose purpose is to make it possible for employees to demonstrate even higher capabilities, and we operate human resources, evaluations, and education systems. Furthermore, we also focus on establishing and operating various system that emphasize “Work in Life”^{*} and we are working to realize a workplace that is easy for every employee to work in safely and provides employee satisfaction.

* “Work in Life” proposed by Okamura: The idea that “life” and “work” are not equal elements but that “life is composed of many parts, of which work is one.” Other elements that make up life include family, hobbies, learning, and community.

Pursuing Employee Satisfaction

Approach Toward Human Resources

At the Okamura Group, we view employees as collaborators as well as being members of a team, and together, we will grow the company. We aim to create even greater results through business activities that emphasize mutual collaboration among employees. We are moving forward with creating workplaces in which every employee can demonstrate their capabilities to the fullest based on a fair labor-management relationship. We will link this to the growth of the company and improving the lives of employees.

In light of the background of Okamura's founding (see "Record of Using Cooperation as Capital to Create Something from Nothing"), employees are work collaborators, people who we are fortunate to have as members of the same company. Employees are collaborators who we work together with to make the company prosper. Each employee is a team member. We cooperate with each other while always keeping in mind the idea that teamwork leads to outstanding results.

It is our hope that Okamura and our employees will work together to help the company prosper and improve each other's lives using all our knowledge and skills, and based on a fair labor-management relationship.

(Excerpt from Okamura Basic Policy)

Pursuing Employee Satisfaction

Promoting Diversity and Inclusion

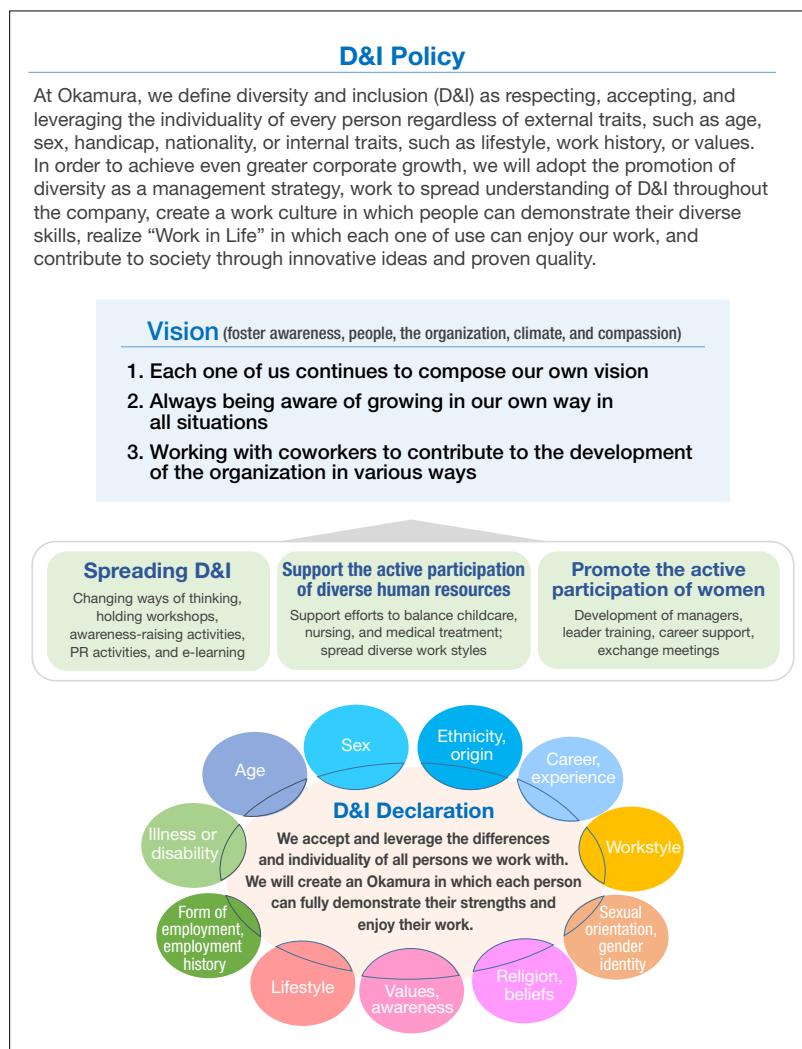
At the Okamura Group, we are working to create an employment and workplace environment based on our Diversity and Inclusion Policy. Based on our approach of embracing diversity, we actively hire people who possesses various traits, values, and ideas; strive to create an environment in which every employee can easily work and fully demonstrate their abilities; and tie this to fostering a corporate culture in which we can flexibly respond to diversity in society and culture as well as to changes in the environment.

Diversity and Inclusion Policy

Okamura considers promoting diversity an important management topic, the Diversity Promotion Project, commonly referred to as the Sodateru Project, is taking the lead as an organization that promotes specific initiatives, and between August 2016 and March 2020, various activities were undertaken. These include creating a system to provide support for balancing work with childcare and nursing

care, and raising awareness about our approach toward diversity and inclusion (see p. XX for details). In June 2020, we formulated the Diversity and Inclusion Policy, which summarizes Sodateru Project activities, and we are moving forward with expanding this system and creating a workplace environment to put the policy into practice.

Approach toward diversity and inclusion (D&I)



Pursuing Employee Satisfaction

Human Resources Development

The Okamura Group clearly states in our Human Resources Policy that we “actively provide education necessary (for employees) to develop and demonstrate their capabilities, and for cooperation and harmonization, as well as working to increase their desire for self-development.” To this end, we have working to systematize in-house training programs, promote education throughout the company, and we are creating an environment in which employees can engage in self-development. In addition, we are establishing numerous training programs and systems in pursuit of greater opportunities for employee self-realization and satisfaction.

Expansion of training programs and systems that support employee career development

At the Okamura Group, we provide education on common matters that span across departments, and these efforts are centered on the Human Resources Development Department. As for specialized knowledge and skills related to operations, we provide specialized training for each division on the business model and products specific to that business areas. Furthermore, we place an emphasis

on designing, building, and operating a system in which there are even more self-realization opportunities for employees. Since fiscal 2019, we have focused on ensuring that meetings between superiors and subordinates are held and one-on-one activities are introduced throughout the company in order to promote mutual understanding between superiors and subordinates.

Pursuing Employee Satisfaction

Health Management & Industrial Safety and Health

In addition to having established a system to promote health management based on the Okamura Health Management Declaration, we are moving forward with various initiatives, such as expanding various types of medical exams and disease prevention measures as well as encouraging employees to take paid leave, we are striving to create a workplace environment that is conscious of employee health.

Based on our Work Safety and Health Policy, labor and management are working as one to create a safe work environment that is easy to work with the goal of eliminating work-related accidents, traffic accidents, and health disorders. In light of the unique workplace characteristics of production, sales, and administrative departments, there are safety and health activities that all employees participate in, and these activities are centered on the Safety and Health Committee.

Health management initiatives

◆ Okamura Health Management Declaration for health management

Okamura considers employee health an important management issue and formulated a Health Management Declaration in September 2017 in order to promote health management throughout the company. Recognizing once again the importance of health as a foundation to realize "Work in Life," we revised the declaration in April 2020.

Okamura Health Management Declaration

The Okamura Group respects the diversity of each and every employee and considers the foundation for everything to be the good physical and mental health of all persons involved in corporate activities. In order to realize "Work in Life," we declare that we will maintain and promote both physical and mental health as well as maintain a healthy work environment so that employees can continue to enjoy their work. We will aim to become a company trusted by society through the continuous provision of healthy, comfortable environments for people and society.

Occupational safety and health

As occupational safety and health-related initiatives, we conduct various activities to prevent occupational accidents and accidents related to company cars and other equipment. Based on the Safety

and Health Management Plan, we work to ensure the safety of employees by reporting on activity plans and results to the committee and implementing necessary measures.

Third-Party Audit Report

Environmental Performance Data Independent Review Report



BUREAU
VERITAS

June 1, 2020



Bureau Veritas Japan Co., Ltd.
Certification Division Head Office

To: Okamura Corporation

Bureau Veritas Japan Co., Ltd. (hereafter, Bureau Veritas) has been engaged by Okamura Corporation (hereafter, Okamura) to conduct an independent review of its environmental performance data for FY 2019 selected by Okamura for inclusion in Okamura Group CSR Report 2020, issued under the responsibility of Okamura. Responsibility of Bureau Veritas is to review its environmental performance data from an independent position and to report its result, not to conduct verification work for providing assurance.

Review Outline

Bureau Veritas conducted the following review based on agreement with Okamura:

Environment Management Division, Okamura Head Office

- Reliability of environmental performance data management system used at Okamura EMS Office
- Adequacy of information included in the CSR Report

Nakai Plant

- Environmental performance data reported to Okamura EMS Office from April 2019 to March 2020
- Reliability of environmental performance data management system used at Nakai Plant

Scope of Review

- Total energy input and CO₂ emissions from energy use
- Waste discharged, Waste recycled and Final disposal waste
- Water usage, Wastewater discharged and BOD/COD discharged
- PRTR substances handled, released and transferred
- NOx and SOx emissions

Findings

1. Several minor errors were identified in the data reported to Okamura EMS Office from the sites of Okamura group. All errors have been duly corrected.
2. Nothing comes to our attention to suggest that there is no consistency between environmental performance data included in Okamura Group CSR Report 2020 and the data collected by Okamura EMS Office.

Data

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Environmental Data

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Fiscal 2019 Environmental Targets, Activity Results, and Fiscal 2020 Environmental Targets

Okamura's Eco Story—Nurturing Eco seeds and providing Eco fruits to customers

The Okamura Group Environmental Policy stipulates that the ideal way to expand the business is to contribute to the creation of a sustainable society by working as one and putting environmental

activities into practice to nurture Eco seeds, and then providing customers with Eco fruits—that is, the products and services created through environmental activities.

“Eco seeds,” what Okamura puts into practice

“Eco seeds” refer to efforts, such as those below, that are conducted in areas that are not visible to customers.

- Material use
- Production methods
- Transportation and packaging



“Eco fruits,” what Okamura proposes

“Eco fruits” are products and services that contain numerous numbers of benefits, such as those below, for customers. (See p. 48 for related information)

- Products and services that use little energy when used
- Creating spaces with little waste and spaces that are highly functional and comfortable
- Products that do not use harmful chemical substances
- Highly versatile and durable products that can be used for many years

◆ Fiscal 2019 environmental targets and activity results

“Eco seeds,” what Okamura puts into practice

	Activity purpose	Fiscal 2019 target	Fiscal 2019 activity results	Assessment
1. Environmental protection activities in manufacturing	1-1. Promote measures to prevent global warming Increase energy productivity	Respond to and then maintain a system to manage the response to the Energy Saving Law • Increase energy productivity 1% year on year Production related [Reduce unit energy consumption per in-house finished product by 1.1% year on year] Increase energy productivity by implementing energy-saving plan Office related [Maintain unit energy consumption per total number of employees] Manage volume of energy used for employees	Respond to and then maintain a system to manage the response to the Energy Saving Law • Increased energy productivity 1.6% year on year Production related 734,146 GJ, 1.8% per unit increase Office related 58,406 GJ, 6.0% per unit increase	A
		Manage CO ₂ emissions reductions as a specified consigner Improve 1% year on year per unit	Reduced CO ₂ emissions by increasing distribution efficiency Improved 0.2% year on year per unit	B
	1-2. Promote resource recycling through resource saving and reducing waste Installation work waste measures Production and distribution waste measures	Increase recycling rate for distribution and installation work-related waste	Ascertained recycling rate and assessed results	A
		Expand scope of manifests targeted for digitization	Expanded digitization of manifests, revised manual	A
		Maintain zero emissions and expand target scope	Maintained zero emissions and expand target scope	A
	1-3. Reduce degree of environmental impact	Reduce released/transferred substances subject to the PRTR Act 1% year on year per unit of in-house finished product	Reduced released/transferred substances subject to the PRTR Act 3.2% year on year per unit of in-house finished product	A
	1-4. Promote environmentally conscious planning and design in product development	Increase product development rate (GW and GW+ development product management)	Established numerical targets for application rate during planning and ascertained results	A
		Improve product environmental information management (consider a system)	Prepared technical information and expanded products that comply with global standards	A
		Increase accuracy of assessment management (Review items to check by business field)	Identified assessments items that could be improved upon and created improvement plan	A
2. Spreading environmental activities throughout society	2-1. Promote social contribution activities Focus on ACORN activities and school education	Actively promote ACORN activities	Conducted company-wide training and training for persons in charge of promotion	A
		Social contribution activities by conducting environmental education classes at schools	Conducted environmental education through elementary school classes held in nature	A

"Eco fruits," what Okamura proposes

	Activity purpose	Fiscal 2019 target	Fiscal 2019 activity results	Assessment
3. Product/space proposals to customers	3-1. Provide environmentally conscious products and promote space planning	Increase sales ratio of environmentally conscious products (GW and GW+ sales product management)	Ascertained sales ratio through detailed classification by business area	A
		Increase ratio of office and store environmental proposals	Continued to propose products with reduced environmental burden	A
	3-2. Promote sustainable use of forest resources	Increase accuracy of legal timber confirmation	Conducted FSC-specialized training	A
	3-3. Improve product information disclosure methods	Improve product information disclosure operations (update SDS)	Updated SDS and improved management method	A

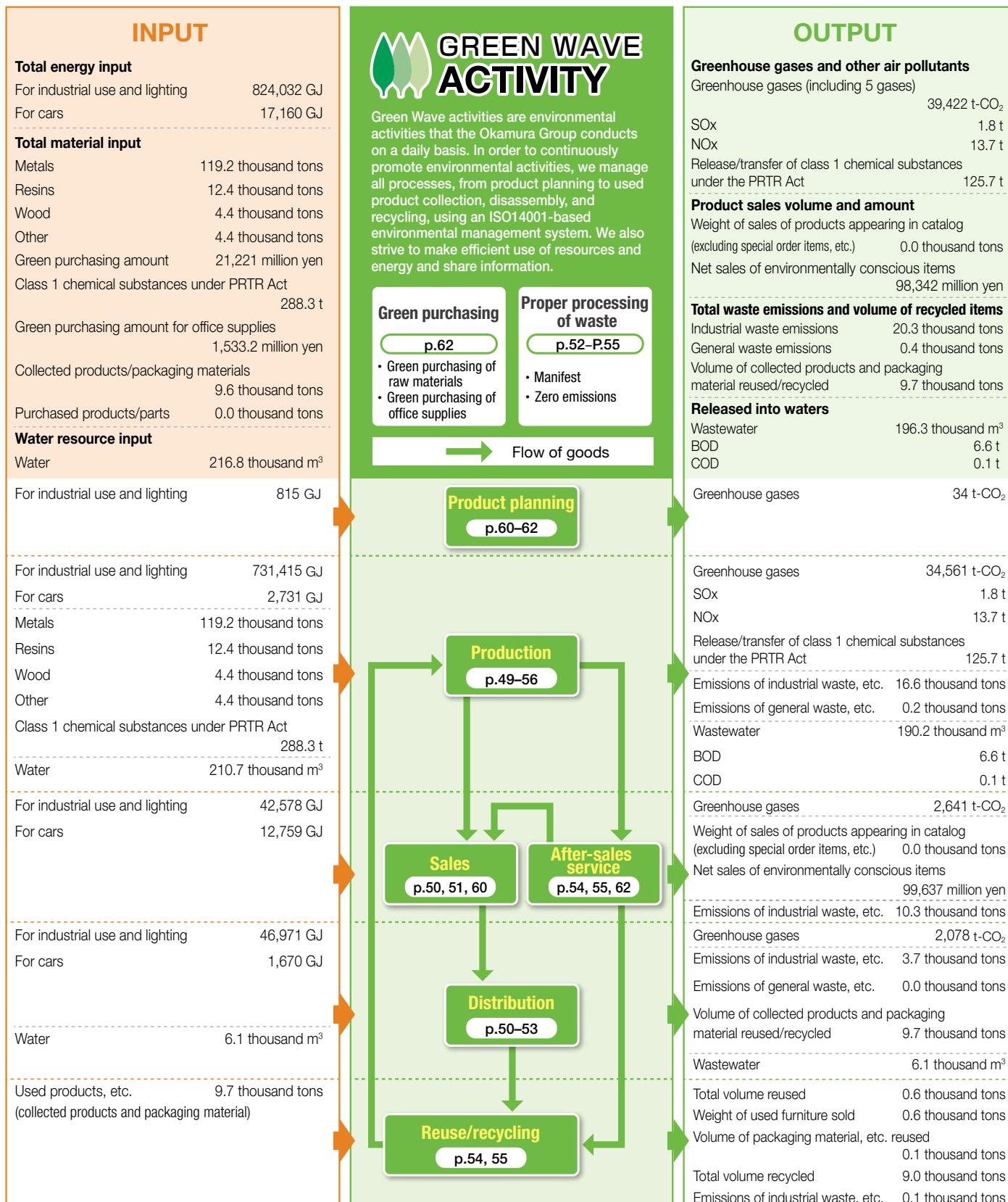
◆ Fiscal 2020 environmental targets**"Eco seeds," what Okamura puts into practice**

	Activity purpose	Target
1. Environmental protection activities in manufacturing	1-1. Promote measures to prevent global warming Increase energy productivity	Respond to and then maintain a system to manage the response to the Energy Saving Law • Increase energy productivity 1% year on year Production related [Reduce unit energy consumption per in-house finished product by 1.1% year on year] Office related [Assess plant energy productivity] [Maintain unit energy consumption per total number of employees] Manage volume of energy used for employees
		Manage CO ₂ emissions reductions as a specified consigner Improve 1% year on year per unit
		Increase recycling rate for distribution and installation work-related waste
		Operational assessment of manifest digitization
	1-2. Promote resource recycling through resource saving and reducing waste Installation work waste measures Production/distribution waste measures	Maintain zero emissions and expand target scope
		Reduce released/transferred substances subject to the PRTR Act 1% year on year per unit of in-house finished product
		1-3. Reduce degree of environmental impact
	1-4. Promote environmentally conscious planning and design in product development	Reduce released/transferred substances subject to the PRTR Act 1% year on year per unit of in-house finished product
		Increase product development rate (GW and GW+ development product management)
		Improve product environmental information management (operational assessment)
2. Spreading environmental activities throughout society	2-1. Promote social contribution activities Focus on ACORN activities and school education	Improve accuracy of assessment management (reassess current status)
		Actively promote ACORN activities
		Social contribution activities by conducting environmental education classes at schools

"Eco fruits," what Okamura proposes

	Activity purpose	Target
3. Product/space proposals to customers	3-1. Provide environmentally conscious products and promote space planning	Increase sales ratio of environmentally conscious products (GW and GW+ sales product management)
		Increase ratio of office and store environmental proposals
	3-2. Promote sustainable use of forest resources	Increase sales ratio of products that use legal timber
	3-3. Improve product information disclosure methods	Increase accuracy of product environmental information disclosure

Balance of Environmental Impact Associated With Okamura Group Business Activities (Fiscal 2019)



Environmental Management Data for Production Plants and Major Subsidiaries and Associates (Fiscal 2019)

Name of plant/major subsidiary or associate	Production plants		
	Oppama Plant	Takahata Plant	Tsukuba Plant
Address	5-2944-1 Urago-cho, Yokosuka, Kanagawa Prefecture	2635 Kitaharago, Nukanome, Takahata-machi, Higashi Okitama-gun, Yamagata Prefecture	1-2-2 Midorigahara, Tsukuba City, Ibaraki Prefecture Techno-Park Toyosato
Land area (m²)	56,352	114,459	99,457
Buildings (total floor area) (m²)	52,343	27,278	41,376
Greening area (m²)	3,492	45,401	41,718
Ratio of greening (%)	6.2	39.7	41.9
Main products	Office environment equipment, torque converters	Office environment equipment (wood), store equipment	Office environment equipment, store equipment

Environmental performance

Item (unit)	Actual	Actual	Actual	
Name of plant/major subsidiary or associate	Oppama Plant	Takahata Plant	Tsukuba Plant	
Total energy input (GJ)* ¹	120,354	39,729	97,775	
Water	Water resource input* ² (m³) Rainwater input (m³) Water saved through water-saving system (m³) Total wastewater (m³)	13,510 – 1,689 11,020	14,173 – – 14,173	32,485 – 7,362 32,485
Air	Greenhouse gas emissions (t-CO ₂)* ¹ Ozone-depleting substance emissions (ODP-kg) SOx emissions (t) NOx emissions (t)	5,392 – – 0.092	1,902 – 1.50 4.32	4,473 – – 1.92
Industrial waste	Volume recycled (t) Final disposal volume (t)	3,578 0	268 0	1,341 0
Substances subject to the PRTR Act* ³	Volume handled (kg) Released into air (kg) Toluene (kg) Xylene (kg) Other (kg) Released into public waters (kg) Transferred into sewer (kg) Transferred to waste (kg)	93,869 17,706 599 8,711 8,397 – 49 757	146 114 – – 114 – – 32	18,801 6,222 9 1,110 5,104 57 – 1,524
Generation of offensive odors	Xylene (ppm) Isobutanol (ppm) Ethyl acetate (ppm) Toluene (ppm) Styrene (ppm) Ethylbenzene (ppm) Odor index	– – – – – – –	– – – – – – 17	<0.01 <0.01 <0.01 <0.01 <0.01 – –
Waters* ⁴	BOD emissions (t) COD emissions (t) Nitrogen emissions (t) Phosphorus emissions (t)	0.05 0.06 0.05 0.00	2.10 – – –	2.50 – – –

*1 Calculation of total energy input and CO₂ emissions are based on coefficients stipulated in the Ordinance for Enforcement of the Act on the Rational Use of Energy and the Ministry of the Environment's Greenhouse Gas Emissions Accounting and Reporting Manual Ver. 3.1. For Siam Okamura Steel Co., Ltd., electric power is converted to CO₂ using the fiscal 2000 coefficient set by the Federation of Electric Power Companies.

*2 Water resource input is the total of service water, industrial water, ground water, and rainwater. The water resource input for Seeder Co., Ltd. is not included in this report since it has a minor impact.

*3 No substances subject to the PRTR Act were released into the soil or disposed of in landfills at plants. If the content of target substances in materials and other items is reported as 0.1–1.0%, etc., calculations are made using 1%. The PRTR Act does not apply to Siam Okamura Steel Co., Ltd.

*4 Released into waters includes wastewater released into public waters by the Fuji Plant, Gotemba Plant, NS Okamura Corporation, and Sanyo Okamura Corporation.

Main responses to laws and regulations

Item (unit)	Regulation value	Actual value	Regulation value	Actual value	Regulation value	Actual value
Name of plant/major subsidiary or associate	Oppama Plant		Takahata Plant		Tsukuba Plant	
Air	SOx emission concentration (m ³ N/h) NOx emission concentration (ppm) Soot and smoke emission concentration (g/m ³ N)	0.2 590.0 0.3	0.0 319.8 0.0	11.2 300.0 0.6	0.1 52.5 0.2	– – –
Noise	Magnitude (daytime/morning and evening/night) (dB)	75/75/65	71/-60	70/65/55	60/54/39	60/55/50
Vibrations	Magnitude (daytime/night) (dB)	65/55	41/35	65/60	42/28	60/55

* "Regulation value" is based on law, local ordinance, etc.

* "Actual value" is the maximum value.

* – : No actual figure or it is not regulated.

Production plants			
Name of plant/major subsidiary or associate	Fuji Plant	Nakai Plant	Gotemba Plant
			
Address	102-1 Osaka, Gotemba, Shizuoka Prefecture	390 Sakai, Nakai-machi, Ashigarakami-gun, Kanagawa Prefecture	744 Kita, Shibanta, Shizuoka Prefecture
Land area (m²)	85,763	53,890	87,028
Buildings (total floor area) (m²)	56,091	35,388	33,012
Greening area (m²)	14,837	20,128	34,360
Ratio of greening (%)	17.3	37.4	39.5
Main products	Store display fixtures, etc.	Store display fixtures	Refrigerated showcases

Environmental performance

Item (unit)	Actual	Actual	Actual
Name of plant/major subsidiary or associate	Fuji Plant	Nakai Plant	Gotemba Plant
Total energy input (GJ)*1	167,982	48,820	74,127
Water			
Water resource input*2 (m³)	87,587	3,254	11,215
Rainwater input (m³)	–	1,610	–
Water saved through water-saving system (m³)	–	13,977	–
Total wastewater (m³)	87,587	589	7,810
Air			
Greenhouse gas emissions (t-CO₂)*1	7,735	2,229	3,419
Ozone-depleting substance emissions (ODP-kg)	–	–	–
SOx emissions (t)	–	–	–
NOx emissions (t)	1.09	0.03	0.44
Industrial waste			
Volume recycled (t)	2,813	2,256	2,366
Final disposal volume (t)	0	0	0
Substances subject to the PRTR Act*3			
Volume handled (kg)	80,306	151	77,410
Released into air (kg)	72,401	3	5,586
Toluene (kg)	24,291	–	1,163
Xylene (kg)	18,526	–	1,789
Other (kg)	29,584	3	2,634
Released into public waters (kg)	1,064	–	–
Transferred into sewer (kg)	–	–	–
Transferred to waste (kg)	3,980	144	617
Generation of offensive odors			
Xylene (ppm)	–	–	–
Isobutanol (ppm)	–	–	–
Ethyl acetate (ppm)	–	–	–
Toluene (ppm)	–	–	–
Styrene (ppm)	–	–	–
Ethylbenzene (ppm)	–	–	–
Odor index	Less than 10	10	10
Waters*4			
BOD emissions (t)	0.69	0.00	0.05
COD emissions (t)	–	–	0.01
Nitrogen emissions (t)	0.35	–	0.01
Phosphorus emissions (t)	0.32	–	–

*1 Calculation of total energy input and CO₂ emissions are based on coefficients stipulated in the Ordinance for Enforcement of the Act on the Rational Use of Energy and the Ministry of the Environment's Greenhouse Gas Emissions Accounting and Reporting Manual Ver. 3.1. For Siam Okamura Steel Co., Ltd., electric power is converted to CO₂ using the fiscal 2000 coefficient set by the Federation of Electric Power Companies.

*2 Water resource input is the total of service water, industrial water, ground water, and rainwater. The water resource input for Seeder Co., Ltd. is not included in this report since it has a minor impact.

*3 No substances subject to the PRTR Act were released into the soil or disposed of in landfills at plants. If the content of target substances in materials and other items is reported as 0.1–1.0%, etc., calculations are made using 1%. The PRTR Act does not apply to Siam Okamura Steel Co., Ltd.

*4 Released into waters includes wastewater released into public waters by the Fuji Plant, Gotemba Plant, NS Okamura Corporation, and Sanyo Okamura Corporation.

Main responses to laws and regulations

Item (unit)	Regulation value	Actual value	Regulation value	Actual value	Regulation value	Actual value
Name of plant/major subsidiary or associate	Fuji Plant		Nakai Plant		Gotemba Plant	
Air	SOx emission concentration (m³N/h)	–	–	–	15.6	–
	NOx emission concentration (ppm)	240.0	3.0	230.0	10.0	230.0
	Soot and smoke emission concentration (g/m³N)	0.3	0.0	0.2	0.0	–
Noise	Magnitude (daytime/morning and evening/night) (dB)	65/70/–	58/60/–	75/75/65	50/50/48	55 or less/50 or less/45 or less
Vibrations	Magnitude (daytime/night) (dB)	70/–	50/–	70/65	44/44	65 or less/55 or less

* "Regulation value" is based on law, local ordinance, etc.

* "Actual value" is the maximum value.

* – : No actual figure or it is not regulated.

Data

Subsidiaries and associates			
Name of plant/major subsidiary or associate	Kansai Okamura Corporation	NS Okamura Corporation	Sanyo Okamura Corporation
			
Address	2-8-63 Inada-Uemachi, Higashi Osaka, Osaka	23-15 Suzuko-cho, Kamaishi City, Iwate Prefecture	1 Aino-machi, Takahashi-shi, Okayama Prefecture
Land area (m²)	23,853	22,048	36,098
Buildings (total floor area) (m²)	30,731	12,604	28,749
Greening area (m²)	2,210	3,308	6,471
Ratio of greening (%)	9.3	15.0	17.9
Main products	Office environment equipment	Inventory management shelves, office environment equipment	Office environment equipment, store display fixtures

Environmental performance

Item (unit)	Actual	Actual	Actual
Name of plant/major subsidiary or associate	Kansai Okamura Corporation	NS Okamura Corporation	Sanyo Okamura Corporation
Total energy input (GJ)* ¹	86,954	57,751	38,347
Water			
Water resource input* ² (m³)	21,699	6,459	20,309
Rainwater input (m³)	–	–	–
Water saved through water-saving system (m³)	–	–	7,804
Total wastewater (m³)	20,571	3,663	12,300
Air			
Greenhouse gas emissions (t-CO₂)* ¹	3,633	3,063	2,483
Ozone-depleting substance emissions (ODP-kg)	–	–	–
SOx emissions (t)	–	0.35	–
NOx emissions (t)	0.70	4.01	1.11
Industrial waste			
Volume recycled (t)	1,990	1,138	855
Final disposal volume (t)	0	0	0
Substances subject to the PRTR Act* ³			
Volume handled (kg)	342	958	16,319
Released into air (kg)	216	27	11,572
Toluene (kg)	5	27	–
Xylene (kg)	2	–	4,259
Other (kg)	209	–	7,314
Released into public waters (kg)	–	–	–
Transferred into sewer (kg)	127	–	143
Transferred to waste (kg)	–	918	2,433
Generation of offensive odors			
Xylene (ppm)	–	–	–
Isobutanol (ppm)	–	–	–
Ethyl acetate (ppm)	–	–	–
Toluene (ppm)	–	–	–
Styrene (ppm)	–	–	–
Ethylbenzene (ppm)	–	–	–
Odor index	–	–	–
Waters* ⁴			
BOD emissions (t)	1.04	–	0.12
COD emissions (t)	–	–	–
Nitrogen emissions (t)	–	–	0.35
Phosphorus emissions (t)	–	–	0.71

*1 Calculation of total energy input and CO₂ emissions are based on coefficients stipulated in the Ordinance for Enforcement of the Act on the Rational Use of Energy and the Ministry of the Environment's Greenhouse Gas Emissions Accounting and Reporting Manual Ver 3.1. For Sanyo Okamura Steel Co., Ltd., electric power is converted to CO₂ using the fiscal 2000 coefficient set by the Federation of Electric Power Companies.

*2 Water resource input is the total of service water, industrial water, ground water, and rainwater. The water resource input for Seeder Co., Ltd. is not included in this report since it has a minor impact.

*3 No substances subject to the PRTR Act were released into the soil or disposed of in landfills at plants. If the content of target substances in materials and other items is reported as 0.1–1.0%, etc., calculations are made using 1%. The PRTR Act does not apply to Sanyo Okamura Steel Co., Ltd.

*4 Released into waters includes wastewater released into public waters by the Fuji Plant, Gotemba Plant, NS Okamura Corporation, and Sanyo Okamura Corporation.

Main responses to laws and regulations

Item (unit)	Regulation value	Actual value	Regulation value	Actual value	Regulation value	Actual value
Name of plant/major subsidiary or associate	Kansai Okamura Corporation		NS Okamura Corporation		Sanyo Okamura Corporation	
Air						
SOx emission concentration (m³N/h)	–	–	9.3	0.0	13.8	–
NOx emission concentration (ppm)	150.0	45.0	176.7	55.3	245.0	24.3
Soot and smoke emission concentration (g/m³N)	0.1	0.0	0.4	0.0	0.5	0.0
Noise	Magnitude (daytime/morning and evening/night) (dB)	70/65/60	–	70/65/60	54/54/51	55/45/40
Vibrations	Magnitude (daytime/night) (dB)	70/65	–	–	–	55/50
* "Regulation value" is based on law, local ordinance, etc.						
* "Actual value" is the maximum value.						
* – : No actual figure or it is not regulated.						

Subsidiaries and associates			
Name of plant/major subsidiary or associate	Seeder Co., Ltd.*	Siam Okamura Steel Co., Ltd.	Okamura Logistics Corporation*
			
Address	2-2-17 Suehiro-cho, Tsurumi-ku, Yokohama, Kanagawa Prefecture	51-5 Poochao RD, Bangyaprapak Bangkok 10130 Thailand	2-4-3 Suehiro-cho, Tsurumi-ku, Yokohama, Kanagawa Prefecture
Land area (m²)	11,411	11,108	43,969
Buildings (total floor area) (m²)	4,135	15,339	77,254
Greening area (m²)	—	181	6,644
Ratio of greening (%)	—	1.6	15.1
Main products	Transfer conveyor systems	Office environment equipment, store equipment	Shipping, storage, cargo handling, distribution, processing, installation work, and interior/finishing carpentry work

*Integrated into Okamura Corporation through an absorption-type merger (July 1, 2020)

Environmental performance

Item (unit)	Actual	Actual	Actual
Name of plant/major subsidiary or associate	Seeder Co., Ltd.	Siam Okamura Steel Co., Ltd.	Okamura Logistics Corporation
Total energy input (GJ)* ¹	2,306	43,876	48,641
Water			
Water resource input* ² (m³)	—	23,854	6,064
Rainwater input (m³)	—	—	—
Water saved through water-saving system (m³)	—	—	—
Total wastewater (m³)	—	23,854	6,064
Air			
Greenhouse gas emissions (t-CO ₂)* ¹	99	1,876	2,076 ⁵
Ozone-depleting substance emissions (ODP-kg)	—	—	—
SOx emissions (t)	—	—	—
NOx emissions (t)	—	—	—
Industrial waste			
Volume recycled (t)	13	—	3,646
Final disposal volume (t)	0	596	26
Substances subject to the PRTR Act* ³			
Volume handled (kg)	—	—	—
Released into air (kg)	—	—	—
Toluene (kg)	—	—	—
Xylene (kg)	—	—	—
Other (kg)	—	—	—
Released into public waters (kg)	—	—	—
Transferred into sewer (kg)	—	—	—
Transferred to waste (kg)	—	—	—
Generation of offensive odors			
Xylene (ppm)	—	0.2	—
Isobutanol (ppm)	—	—	—
Ethyl acetate (ppm)	—	—	—
Toluene (ppm)	—	0.0	—
Styrene (ppm)	—	—	—
Ethylbenzene (ppm)	—	—	—
Odor index	—	—	—
Waters* ⁴			
BOD emissions (t)	—	0.30	—
COD emissions (t)	—	2.40	—
Nitrogen emissions (t)	—	—	—
Phosphorus emissions (t)	—	—	—

*1 Calculation of total energy input and CO₂ emissions are based on coefficients stipulated in the Ordinance for Enforcement of the Act on the Rational Use of Energy and the Ministry of the Environment's Greenhouse Gas Emissions Accounting and Reporting Manual Ver.3.1. For Siam Okamura Steel Co., Ltd., electric power is converted to CO₂ using the fiscal 2000 coefficient set by the Federation of Electric Power Companies.

*2 Water resource input is the total of tap water, industrial water, ground water, and rain water. The water resource input for Seeder Co., Ltd. is not included in this report since it has a minor impact.

*3 No substances subject to the PRTR Act were released into the soil or disposed of in landfills at plants. If the content of target substances in materials and other items is reported as 0.1–1.0%, etc., calculations are made using 1%. The PRTR Act does not apply to Siam Okamura Steel Co., Ltd.

*4 Released into waters includes wastewater released into public waters by the Fuji Plant, Gotemba Plant, NS Okamura Corporation, and Sanyo Okamura Corporation.

*5 See p. 50 for information on greenhouse gas emissions during shipping by Okamura Logistics Corporation.

Main responses to laws and regulations

Item (unit)	Regulation value	Actual value	Regulation value	Actual value	Regulation value	Actual value
Name of plant/major subsidiary or associate	Seeder Co., Ltd.		Siam Okamura Steel Co., Ltd.		Okamura Logistics Corporation	
Air						
SOx emission concentration (m ³ N/h)	—	—	60.0	0.1	—	—
NOx emission concentration (ppm)	—	—	200.0	42.7	—	—
Soot and smoke emission concentration (g/m ³ N)	—	—	0.4	0.0	—	—
Noise	Magnitude (daytime/morning and evening/night) (dB)	—	85/84/70	83/82/65	—	—
Vibrations	Magnitude (daytime/night) (dB)	—	—	—	—	—

* "Regulation value" is based on law, local ordinance, etc.

* "Actual value" is the maximum value.

* – : No actual figure or it is not regulated.

* The regulation value and actual value for SOx emission concentration for Siam Okamura Steel Co., Ltd. is given in ppm.



Cover: Paralym Art piece

**Taiyo to Chikyu
(Sun and Earth)**

Created by Sachiyo Katashima

Paralym Art is an effort promoted by SHOUGAISHA JIRITSU SUISHIN KIKOU ASSOCIATION (Association for the Promotion of Independence for Individuals With Disabilities) to "create a world in which people with disabilities can fulfill their dreams through art." Private-sector companies and other entities support the participation of people with disabilities in society by paying artists with disabilities for the right to use their art (paintings, design, etc.).



We support the arts of people with disabilities.

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