# OKAYA

# TOP MESSAGE

# Keeping up with the times, reaching out to people

Since the establishment of a business in 1669, Okaya has always upheld the motto: "Value trust, and change with the times."

We have built trust by reaching out to our shareholders, business partners and local communities through cultivating a corporate culture of taking up challenges, being autonomous and independent, co-existing with society, and having reliability and

We care deeply about the process of learning, thinking, and working hard through the perspectives of each local region, products and people. Through this process, people grow, which in turn leads to a company's evolution into one that can realize sustainable growth.

In the medium-term plan Gih-2020 which began in fiscal year 2016, we will continue to focus on the three pillar concepts of "Global" (expand global transactions), "Innovation" (challenge to advanced products and technology), and "Human Resources" (cultivate human resources), and strive to capitalize on the comprehensive capabilities of the Okaya Group, thereby contributing to the development of each region and country. In order to co-exist with society, we must fulfill our corporate social responsibility. The Okaya Group will work as a whole in our efforts to carry out social contribution activities, such as providing regional educational support and participating in regional events.

To be the best global sourcing partner that maintains a high level of awareness, we will continue striving for further evolution.



Tokuichi Okaya

# MANAGEMENT PHILOSOPHY

Be the "best global sourcing partner" who is always receptive to ideas and contribute to manufacturing in the worldwide market.

# CORPORATE CHARTER OF CONDUCT

We will meet customer satisfaction and earn their trust. We will respect human rights and comply with rules. Our activities will be that of a good global citizen.

# **MEDIUM-TERM PLAN**

# Gih-2020

The Okaya Group has formulated the medium-term plan "Gih-2020" with fiscal year 2016 as the first year. Based on the three pillar concepts of Global (G), Innovation (I) and Human Resources (H), we have begun various initiatives towards fiscal year 2020.

# Global

Capitalizing on the comprehensive capabilities of the Group, we will make contribution to the manufacturing that is rooted in each local region around the globe.

# Innovation

We will innovate and change with the times, and continue to challenge ourselves to expand the adoption of advanced products and technology.

# Human

Resource

We will cultivate human resources in a manner that allows each and every employee who supports our business activities to clearly experience a sense of growth.

# (Management Philosophy)

Be the "best global sourcing partner" who is always receptive to ideas and contribute to manufacturing in the worldwide market.

#### (Business Strategies)

- 1. Take up the challenge to growth markets, advanced products and technology
- 2. Improve value-added productivity
- 3. Cultivate human resources who think and achieve their own targets
- 4. Pursue adoption of flexible work styles
- 5. Ensure thorough compliance
- 6. Strengthen risk management

# **HISTORY**

# Over the centuries, we have always supported the market through tradition and innovation.

Okaya started its business in a castle town of Nagoya in 1669, as a store named "Sasaya." Our history that stayed rooted in a local community is the fruit of our unrelenting efforts to keep evolving our business while keeping up with ever-changing times.

Today, we have obtained trust and achieved outstanding results on-site worldwide as the "best global sourcing partner" that contributes to manufacturing while always being receptive to ideas.

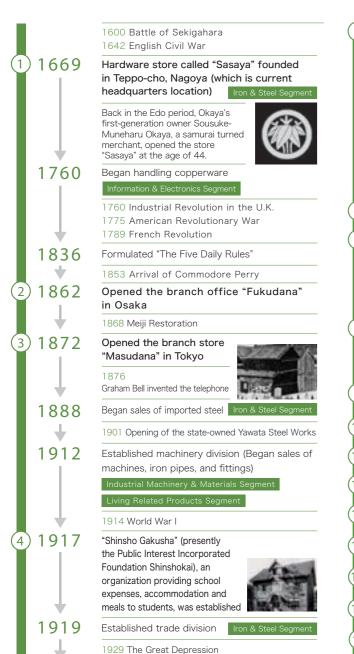
Looking to the future, we will continue shaping the present and passing on the trust and confidence to the next generation.

# The Origin of the Company Emblem

When our founder Sousuke-Muneharu Okaya first opened a store in Nagoya, he used "five bamboo leaves in a circle" for the crest on the shop's curtain and "Sasaya" as the store name. From some point in time, the company emblem called "Yamasou" came to be used, which combines our founder Muneharu's Chinese character "宗

=sou" topped with the "yama=mountain" design which represents mines and prospect of natural resources as a store handling iron.





5	1937	Established Okaya Shoten Co., Ltd.
	<b>+</b>	1939 World War II
	1940	Established specialty steel division  Iron & Steel Segment
	1943	Changed corporate name to "Okaya & Co., Ltd."
	•	1945 End of World War II
	1946	Established electronics section
		Information & Electronics Segment
6	<b>\</b>	Opened Yawata Satellite Office (Present Kyushu Branch Office)
7	1947	Opened Sapporo Satellite Office (Present Hokkaido Branch Office)
	1948	Established chemicals section
		Industrial Machinery & Materials Segment
	•	1951 Signing of San Francisco Peace Treaty
8	1952	Tokyo Branch Office (Present Tokyo Head Office) moved to Shin- Marunouchi Building
9	1956	Opened Singapore Representative Office (Present Okaya Singapore Pte. Ltd.)
10 11 12	1957	Opened New York Representative Office (Present Okaya (U.S.A.), Inc.) Opened Australia Representative Office (Present Okaya Australia Pty. Ltd.) Opened Taiwan Representative Office (Present Okaya (Taiwan) Co., Ltd.)
13)	1959	Opened Sendai Representative Office (Present Tohoku Branch Office) Opened Hiroshima Satellite Office (Present Chugoku Branch Office)
15) 16)	1960	Opened Oyama Representative Office (Present Kitakanto Branch Office) Opened Hong Kong Representative Office (Present Okaya International (H.K.) Ltd.)
17)	1961	Opened Düsseldorf Representative Office (Present Okaya Europe GmbH)



# **NETWORK**

A global network across 22 countries that expands your bus iness potential



# Global Network

North America, South and Central America, and Europe | Middle East, Asia, and Oceania

Okaya (U.S.A.), Inc. Los Angeles Office Head Office Chicago Branch Office Hopkinsville Office Houston Branch Office : Lexington Branch Office West Virginia Office Huntsville Office Raleigh-Durham Office Knoxville Office Atlanta Office Indianapolis Office San Diego Branch Office

Silicon Valley Office Okaya (Canada) Co., Ltd.

Head Office Cambridge Branch Office Okaya Mexico S.A. de C.V. Okaya do Brasil Comercio Ltda. Okaya Europe GmbH Head Office (Germany) Czech Branch Office The Netherlands Branch Office

Okaya & Co. India Pvt. Ltd. Vina Okaya Head Office Bangalore Branch Office Ahmedabad Branch Okaya (Thailand) Co., Ltd.

(Malaysia) Sdn. Bhd.

Okaya Singapore Pte. Ltd.

Head Office Bangna Branch Office Siam Suriya Co., Ltd. Okaya International

International Co., Ltd. Head Office Hanoi Office Pt. Okaya Indonesia Head Office Deltamas Office

Surabaya Office Okaya & Co., Ltd., Middle East Office Okaya & Co., Ltd., Yangon Office

Okaya (Guangzhou) Co., Ltd. Head Office Wuhan Branch Office Shenzhen Office

Okaya International (H.K.) Ltd. Okaya (Beijing) Co., Ltd. Head Office Beijing Branch Office Tianjin Branch Office Dalian Branch Office Changchun Office

Okaya (Shanghai) Co., Ltd. Head Office Nanjing Branch Office Chongging Branch Office Suzhou Branch Office Okaya (Taiwan) Co., Ltd. Okaya (Korea) Co., Ltd. Head Office Busan Branch Office Okaya Australia Pty. Ltd. Head Office Melbourne Branch Office

Tokyo Head Office (Marunouchi) Tokyo Head Office (Shinjuku) Osaka Office **Branch Offices** Toyota Kariya

**Head Offices** 

Kitakanto (Oyama City) Shizuoka Hamamatsu

Headquarters·Nagoya Head Office Hokkaido (Tomakomai City) Kimitsu Tohoku (Sendai City)

Tokai

Kobe

Oita

Hirohata

Fukuyama

Niigata Hokuriku (Toyama City) Chugoku (Hiroshima City) Kyushu (Fukuoka City)

Sales Offices Hitachi

Ota Kusatsu Higashi-Hiroshima Yahata

Satellite Offices

Warehouses Toyota

Kariya Sorami Wharf (Nagoya City)

**Distribution Centers** 

Ajikata (Niigata City) Mikawa (Nishio City) Nakagawa (Nagoya City) Tomifune (Nagoya City) Fukuzaki (Osaka City) Hakozaki (Fukuoka City)

\*Others: 27 overseas affiliates

%Others: 42 affiliates in Japan

# **BUSINESS FIELD**

As we capture changing trends of the times, our four busin We will contribute to the world through manufacturing.

Iron & Steel There are three divisions in this segment: the iron and steel division handles steel sheets, steel bars, building steel materials, steel pipes, ferrous raw materials, etc.; the specialty steel division handles a wide array of high-quality, high value-added specialty steel such as steel for structural use, tool steel, stainless steel, etc.; and the international trade division handles the importing and exporting of iron, steel and specialty steel. Our distinct feature is our ability to provide meticulous services, by virtue of our distribution network of manufacturing and processing locations in Japan and abroad and our group companies. We fulfill our role as a functional trading company by formulating new business models and further developing our expertise in iron, steel and specialty steel, which are indispensable to various industries in the world.





A unique and highly specialized trading company th from raw materials, manufacturing equipment, periph

Industrial Machinery & Materials There are two divisions in this segment: the industrial chemicals division handles raw materials for synthetic resin, resin molds, etc.; and the mechatronics division handles machine tools, various types of industrial machinery, functional parts and tools and combined production systems including those related to IoT. In the industrial chemicals division, we respond to needs in line with current trends both in Japan and abroad, such as by promoting the plasticization of parts, which leads to weight reduction in automobiles. In the mechatronics division, we aim to contribute to solving the problem of labor shortage in Japan and soaring labor costs abroad, as well as to stabilize manufacturing quality overseas, by promoting the handling of systems and equipment that utilize robots. Using our broad domestic and global networks, we procure a wide range of industrial machinery and materials globally, thereby contributing to the manufacturing processes of our customers.





ess fields continue to expand.

Information & Electronics

There are two divisions in this segment: the non-ferrous metals & minerals division handles a myriad of metals other than iron, centering around copper and aluminum; and the electric & electronics division handles cutting-edge products from semiconductors and electronic components to software and system products. The non-ferrous metals & minerals division develops its business related to "weight reduction, heat countermeasures and the environment." By providing new materials and technology that are essential to various new fields, we are expanding our business domains in tandem with the manufacturing industry's evolution. In the electric & electronics division, we handle mechanisms that effectively utilize data, which is gaining prominence in a wide range of fields. Being involved in cutting-edge technology such as automated operation and next-generation manufacturing from the development stage, we aim to provide new services by working hand in hand with our specialized group companies.





■ Non-ferrous metals and minerals

at handles everything in the manufacturing process, erals and system construction to factory construction

Living Related Products Our business activities in this segment are highly diversified, incorporating the piping components & construction division, which handles products ranging from piping materials and equipment required for housing, collective housing, factories and construction sites of various infrastructure, to high value-added buildings and construction equipment such as elevators, and the food products division that handles a wide range of products, including marine and livestock products imported from around the world and agricultural products in Japan. In the piping components & construction division, in response to the diversified user needs, we have enhanced our line-up of environmentally-friendly products, and focused on introducing advanced technology that increases safety and saves energy, while providing disaster-proof condominiums. In the food products division, to satisfy the strict needs related to quality, we supply safe products by cooperating with factories in each country.







■ Food products

■ Piping components and housing facilities■ Construction development

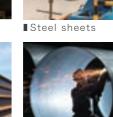
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# Iron & Steel

Using the Okaya Group's domestic and global networks, we sell a wide range of products including steel sheets, steel bars, building steel materials, steel pipes and ferrous raw materials to customers in various industries. In addition, in order to satisfy all sorts of customer needs, we have established manufacturing and processing locations worldwide, and built a structure where we can provide meticulous services as the "best sourcing partner."

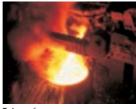






# Specialty Steel

We handle a wide array of high-quality, high value-added specialty steels that are indispensable to the Japanese manufacturing industry, such as steel for structural use, tool steel and stainless steel. We respond to customers' domestic and global needs by using our broad knowledge related to materials and material applications, which we have acquired by being deeply involved in the manufacturing of automobiles, construction machinery and machine tools.









# Places where Okaya can be found

## Metallic roofs & walls



Our products can be found in the roofs and walls of Japanese factories and shopping malls in the various Southeast Asian countries. Our manufacturing locations established in Thailand, Indonesia and Vietnam allow us to provide integrated services from raw material rocurement, processing to construction. The functions and quality of our services have been appraised as one of the best in the region and we boast the top share in the market fo



City gas enables people to live comfortably and pleasantly, and supports the manufacturing industry in Japan. We sell steel pipes that form the gas conduits which ensure the safe and stable delivery of gas all over the city.

# Automobiles, construction machinery, machine tools, etc.



Bearings are a crucial component that helps to reduce the friction produced when equipment move, and are incorporated into a wide range of machines such as automobiles, construction machinery and machine tools. We procure bearing steel, which is a material for bearings, and sell it to bearing manufacturers worldwide.

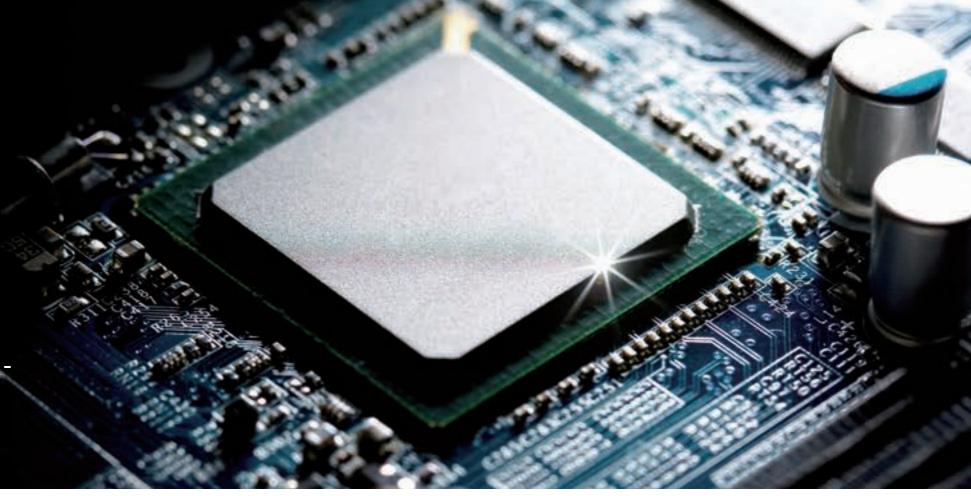
# Automobiles, construction machinery, office automation equipment, etc.



Polished steel bars are precise secondary stee bar products processed by drawing through dies. They are processed into numerous machine parts including shafts, bolts, nuts and crews, and are incorporated into automobiles, construction machinery and office automation equipment, etc. We sell materials for polished steel bars such as carbon steel, alloy steel and stainless steel to polished steel bar manufacturers at various locations

# Information & Electronics

Working with group companies that have high levels of expertise, we provide products infused with cutting-edge technology in a regionaland user-oriented manner



# Non-Ferrous Metals & Minerals

We handle a myriad of metals other than iron, centering around copper and aluminum. In this segment, in addition to advanced materials in new growth fields, we are also focusing on using environmentally-friendly recycling technology. Besides making use of our global network to procure materials and products from all over the world, we also supply high-quality materials from Japan to overseas users, increasing our contribution to global manufacturing.









# **Electric & Electronics**

From software and system products to hardware products such as semiconductors, electronic components, display systems, communication modules, sensors and control equipment which are used in a wide range of fields including automobiles, information communication devices, factory automation equipment, electrical substation equipment and home appliances, we globally handle cutting-edge electronic products that customers use in manufacturing. We provide integrated services in cooperation with our subsidiaries that have engineering and manufacturing functions









# Places where Okaya can be found

#### Air conditioners



Air conditioners keep the temperature in rooms and cars comfortable by using heat exchangers. We handle aluminum condenser materials for inverters, which are indispensable for heat exchanger materials and power saving.

# Next-generation automobiles



automobiles are expected to further evolve and receive higher demand aoina forward. In electronic parts, in order to reduce the load of heat, anti-heat measures are essential. Okaya develops anti-heat measures that are suitable for every type of unit.

Electronic control units for

### Digital signage display



The Okaya Group's computer displays are used in digital signage displays around us, such as ones on the concourse of train stations and in commercial facilities

#### Production support utilizing IoT



From the sales of all sorts of industrial machinery and materials centering around factory automation equipment such as robots, machinery and equipment, to the proposal of solutions for system construction including sensing control and data analysis, we contribute to our customers' manufacturing processes



# Industrial Chemicals

We handle an array of raw material resins from general resins to high functional resins, as well as their products and molded products. We were among the first to focus on the liberalization of design and weight-reduction needs by resinification of home appliances, automobiles, housing and sundries. Accordingly, we worked with manufacturers to respond to these customer needs. We also handle environmentally-friendly products such as recycled raw materials and biomass plastics





■ Plastic raw materials





# Mechatronics

We sell and propose machine tools, various types of industrial machinery and functional parts, etc. to manufacturing companies in Japan and abroad. In the automotive and aircraft fields, we have a track record in a wide range of products including manufacturing equipment, tools and peripherals, inspection and measurement devices, installed products and software systems. We also make proposals for automation and manpower reduction centering on robots, and are developing our business by utilizing both domestic and overseas networks.









# Places where Okaya can be found

#### Automotive parts



We sell automotive parts including exterior equipment like various lamps and bumpers, as well as raw materials for tank and intake manifolds. In addition, we also carry out molding and coating

### Raw materials for plastic bottles



for refrigerators and air-conditioner parts in the light electrical appliances field In terms of goods around us, we also sell raw materials for plastic drinking bottles and yoghurt

We sell raw materials

#### Next-generation automobiles



Using our hybrid vehicles business as the base, we are implementing initiatives aimed at electric vehicles and fuel-cell vehicles, for which markets are expected to grow going forward. We are also actively implementing multifaceted business initiatives in the automated driving field

#### **Aircrafts**



such as heat-treatment equipment used in the manufacturing of engine and aircraft parts as well as automation systems that incorporate robots and IoT and 3D printers. Also, we make proposals based on the idea of "supplying everything from materials to facility."

# Living Related **Products**

Providing materials for infrastructure and consumer goods closely related to everyday living and dining



We mainly handle piping materials, equipment and energy-saving environmental products that are necessary for housing, collective housing, factories and construction sites of various infrastructure. In response to diversified user needs, we have enhanced our line-up of environmentally-friendly products





# Construction Development

Our business activities are centered on real estate development with an aim to ensure quality urban development. We have capabilities as a developer and are pursuing a wide range of businesses from the construction of condominiums and houses to that of logistics facilities and factories. We also handle construction equipment such as elevator and parking facilities.



# **Food Products**

Faced with the rising world population, climate change and a global food crisis, we are committed to supplying safe food products to people in Japan and the world, by trading with about 30 countries and also sourcing within Japan for food products including raw and processed foods of marine and





# Places where Okaya can be found



Gas meters are used to measure the amount of gas used. We provide high-quality piping materials to ensure accuracy and safety in the measurements and usage of gas meters.

## Underground piping



City gas enables people to live comfortably and pleasantly, and supports the manufacturing industry in Japan. The gas pipes that deliver clean gas to each house plays the role of being the supply network for gas. Okaya is committed to providing highly safe gas pipes with excellent earthquake resistant abilities.



nner-city areas are packed with commercial facilities and collective housing. We provide self-propelled parking lots that offer outstanding convenience and ease of maintenance, so as to effectively utilize the limited space in such areas.

#### Matsushima tomatoes



We jointly established an agricultural company with a local farmer in Matsushima, Miyagi Prefecture. In a glass greenhouse that uses cultivation techniques from the Netherlands tomatoes are grown using hydroponics. Via thorough quality management, we ensure the safety and delicious of the "Matsushima tomatoes" that we produce and sell.

# Okaya's Corporate Social Responsibility Efforts

Okaya is enhancing corporate value by focusing on environmental consideration and harmony with society.

Since its foundation in 1669, Okaya has worked to improve corporate behavior and corporate value by tackling various issues. We will continue to accurately grasp social needs and trends of the times and strive to be a company that contributes to society.



#### The Roots of CSR

# The CSR Spirit passed on from 180 Years Ago

In 1836, the sixth generation owner Sousuke outlined management policies, "Rules of the Store" and "Rules of the Home" along with "The Five Daily Rules" for the employees to read aloud together every morning before starting work. These rules have things in common with today's CSR spirit, and they guided Sasaya employees in their operational and sales approaches and contributed to the prosperity of the business.

"The Five Daily Rules" 誦五則

- -Work on your inner self and not your outward appearance.
- -Work within the bounds of your station and avoid excessive luxuries.
- -Disregard your vanity and be honest and sincere.
- -Avoid idleness and find joy in your work.
- -Understand your responsibilities and work well with others.

## **Ensuring Compliance**

# Basic Policy on Internal Control System

In addition to aiming for sustainable growth and fulfilling our social responsibility, we continuously improve the quality of management and endeavor to augment and strengthen internal control, which leads to enhanced our corporate value. We position corporate governance, compliance and risk management as our important management issues. We recognize that the actions of each and every employee are the key to building trust of the Group and thereby realizing sustainable growth. We aim to build a corporate culture where business activities are carried out with a high level of social awareness. We strive to continuously augment and strengthen our internal control system, as an infrastructure required to realize this goal.

#### **Environmental Efforts**

# **Environmental Policy**

We have formulated the environmental policy of the Group based on our full recognition of the close relationship between business activities and global environment. The Okaya Group strives to widely contribute to society with an emphasis on environmental conservation and the sustainable development of economic and societal initiatives.

# ISO 14001 Certification

Okaya obtained the ISO14001 certification, the international specification for an environmental management system, in June 2000. Other Okaya Group companies are also in the process of obtaining certification.



## Social Contribution Activities

#### **Local Communities**

Wakamiya Festival

Okava has been an active part of the Wakamiya Festival, one of the three major festivals in Nagoya, for a long time. Back in the Edo period, our store front was offered as a rest area for people parading around the Nagoya Castle. Today, we open the first-floor entrance hall of the head office as a rest area for festival participants, and continue interacting with the local community at



International Exchange

**Educational Support** 

In 2013, five group companies that were

conducting business in Thailand established

Sakura Ruamnamjai Foundation ("Ruamnamjai"

means "hand in hand"), with the main purpose of

providing educational support, and has provided

support ever since. In addition, in 2014, Okava

& Co. India Pvt. Ltd. began providing support to

Japanese language schools in India.

OUNDATION

# Education

Supporting a Scholarship Foundation

Shinsho Gakusha (presently the Public Interest Incorporated Foundation Shinshokai). an organization providing school expenses, accommodation, and meals to students, was established in 1917. 2017 marks the 100th anniversary of its establishment, and 500 students have graduated so far. The photo shows the student dormitory where university students are boarding (Nagoya City, Aichi Prefecture).



# Social Welfare & Environment

Participation in Fund-Raising Activities

In addition to the participation in the nationwide Red Feather Community Chest Movement every year, we also participate in the Green Fund activities, and use donations collected to aid social welfare, afforestation and the promotion of greening in local regions. Since 2009, we have also been contributing to the "Keidanren Nature Conservation Fund," as we continue our efforts to conserve the natural environment.



#### Arts & Culture

Charity Concert

Since 2013, we have been holding the "Okaya Charity Concert -An Evening of Gratitude-" every year. The event has obtained much support, and all proceeds from the ticket sales and the same amount with the proceeds from the Company, along with donations received from the audience. are donated to the social welfare corporation Aichi Prefectural Community Chest.



# Supporting Revitalization of Rural Districts

Agreement with Kiho, Mie Prefecture

Every year since 2013, we have voluntarily participated in reconstruction activities such as rice planting and harvesting in the Asari region of Kiho, Mie Prefecture, which was damaged by the torrential rain that struck the Kii Peninsula. In 2015, we concluded the "Agreement Regarding Initiatives for Revitalization of Rural Districts' with the region, and we continue to support and



SAKURA RUAMNAMJAI