

OKI Group's Social

Corporate Governance

The OKI Group makes concerted efforts to reinforce its corporate governance based on fundamental concepts, including "the enhancement of management fairness and transparency" and "the acceleration of decision-making processes," with the aim of continuously working to improve corporate value.

Corporate Governance Structure

OKI maintains a corporate auditor system and allocates the supervision and auditing of business execution functions to its Board of Directors and Board of Auditors. To enhance management efficiency, OKI has introduced an executive officer system to make more distinct the separation of management and business execution functions.

The Board of Directors meets once a month to make decisions on fundamental management policies and other important issues, as well as to supervise business execution functions. The Management Committee meets once a week in principle to make decisions on important issues relating to the execution of the Group's operations and to receive vital reports concerning each of its divisional operations.

The Board of Auditors audits the business execution functions of directors through the attendance to the Board of Directors' meetings and other important meetings. Auditors also liaise closely with the Internal Auditing Division to accurately ascertain the overall status of company operations as well as to carry out audits of the executive function.

Committee Organization

OKI has established several dedicated committees to strengthen its corporate governance functions.

The Management Advisory Committee provides advice to senior management to enhance management transparency and soundness. Its members include external persons deemed to possess the expert knowledge necessary to facilitate these objectives.

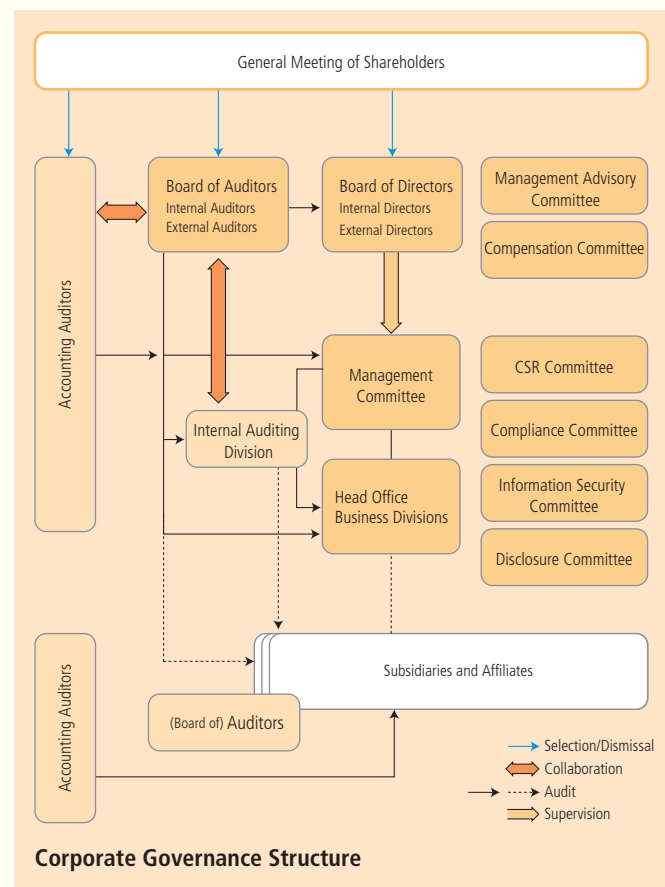
The Compensation Committee ensures transparency in the criteria and mechanisms used to set the remuneration of directors, executive officers and management officials.

The Compliance Committee, headed by the Chief Compliance Officer, has been established with the company-wide authority to propose fundamental compliance policies. The Disclosure Committee ensures that disclosure to stakeholders is accurate and timely.

In the fiscal year ended March 31, 2008, OKI added two new committees to its governance structure. A newly established CSR Committee will engage in the deliberation of basic policies related to the Group's CSR activities, while an Information Security Committee will ensure thorough implementation of information security measures.

Establishment of Internal Control System

Japan's new Corporation Law came into effect in May 2006. In line with this new law, OKI announced in that same month a decision reached by its Board of Directors for the formulation of a Basic Policy for the Establishment of an Internal Control System. OKI will advance efforts to strengthen its corporate governance in conformity with this Basic Policy.



Responsibility

Corporate Social Responsibility (CSR)

"The people of OKI, true to the company's enterprising spirit, are committed to creating superior network solutions and providing excellent information and communications services globally to meet the diversified needs of communities worldwide in the information age." Guided by this philosophy, OKI actively conducts a variety of activities to fulfill its corporate social responsibilities, which include not only complying with laws and regulations but also developing sound corporate activities based on a social conscience.

Establishment of OKI Group Code of Conduct

To fulfill its corporate responsibility, OKI established the OKI Group Code of Conduct in August 2007 to serve as the norm for executive and employee conduct.

With the aim of maintaining a high level of corporate responsibility, OKI established the OKI Group Charter of Corporate Conduct in 2005 as a statement of values that should be shared among the Group. The Company is actively taking measures to enhance its Group internal control by promoting risk management, including at affiliated companies, and organizing internal controls regarding financial reporting.

As a global company OKI realized that it was necessary to have a unified Code of Conduct to achieve a higher level of social responsibility. Given this, all Group companies in Japan and overseas had completed the adoption of the Code by March 2007. Based on this achievement, OKI will ensure that each executive and employee receives his or her own copy of the Code.

Expansion of Consolidated Environmental ISO Certification Program



OKI Electric Technology (Kunshan) was newly consolidated.

With the aim of sharing information by integrating environmental management systems and achieving better efficiencies in business operations, the OKI Group is consolidating its environmental ISO certification program. During the fiscal year under review, OKI added 10 sites—including, for the first time, two Group company sites in China—completing the total consolidation of 42 sites throughout the Group.

Amid growing concerns over environmental contamination by chemical substances in recent years, regulations covering the chemical substances contained in products are becoming

increasingly more stringent. Each OKI Group company has independently managed chemical substances contained in its products. However, the integration of production sites in China allows OKI to take consistent measures in the collection of chemical substance information and in the confirmation of Group compliance with each country's regulations throughout the entire working process, encompassing design, development, material purchasing, production and shipment.

OKI will make ongoing efforts to ensure consistency in its environmental measures and quality environmental management, including measures against chemical substances, energy conservation, reduction of greenhouse gas emissions, as well as the reduction, reuse and recycling of industrial waste.

Volunteer Activities to Support Environmental Education

The OKI Group extended its support to the National School Biotope* Contest 2007 (sponsored by ECOSYSTEM CONSERVATION SOCIETY-JAPAN) held at the National Olympics Memorial Youth Center, Tokyo, on February 10, 2008. Leveraging its Visual Nexus® video conference system, OKI streamed the video to kindergartens and schools in Hokkaido, Tokushima and Osaka Prefectures so that parents and students who were not able to attend the event in Tokyo could enjoy it on screen. The video will be utilized for the promotion of biotope projects in schools.

* Biotope: A habitat in which wild creatures live naturally.



Volunteer OKI Group staff recording streamed video of the contest.