

Corporate Governance

One of the most important management priorities for the OKI Group is to justify the confidence shown by its stakeholders through continual improvement in its corporate value. OKI has approached this task by strengthening corporate governance as a foundation for management fairness and transparency and prompt decision-making.

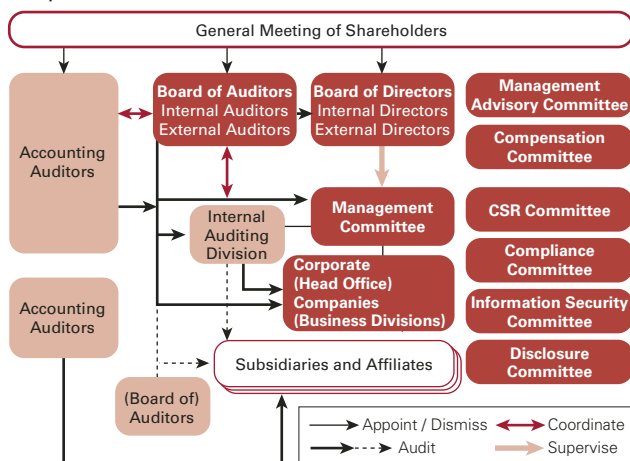
Corporate Governance Structure

OKI employs a system of corporate auditors under Japanese law, its operations are supervised and audited by the Board of Directors and Board of Auditors, and management has been separated from execution through the introduction of an executive officer system. This overall structure serves to improve management efficiency.

The Board of Directors is comprised of 10 directors, including one external director, and generally meets once per month. The board supervises business execution and makes decisions on basic management policies and other important matters. The Management Committee, which normally meets weekly, makes decisions on important aspects of the OKI Group's business operations and reviews key reports on divisional operations. Membership consists of corporate officials at the executive office level and above, and by the corporate auditors.

The Board of Auditors is made up of two external auditors, one of whom is a standing auditor, and two other standing auditors. The auditors audit the activities of directors by attending important meetings, including meetings of the Board of Directors, verifying reports submitted by directors and other officers, and monitoring

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corporate administration and finances. The Internal Auditing Division is comprised of five members, including two certified internal auditors. It conducts internal audits to accurately assess the status of corporate operations overall and prevent or uncover errors and improprieties in business execution as well as to help rationalize management and improve administration.

Committees

OKI has established a number of committees to strengthen its corporate governance.

The Management Advisory Committee advises top management. The participation of outside experts helps the committee ensure management transparency and soundness.

The Compensation Committee was established to maintain the transparency of remuneration mechanisms and levels for directors, executive officers and management officials.

The Compliance Committee, which is headed by the Chief Compliance Officer (CCO), deliberates on basic compliance-related policies for the entire OKI organization.

The mission of the Disclosure Committee is to ensure that information is disclosed accurately and in a timely manner to all stakeholders.

We established two new committees in the year ending March 2008: the CSR Committee to deliberate on basic policies pertaining to the corporate social responsibilities of the OKI Group, and the Information Security Committee to promote the implementation of information security measures.

Establishing Internal Control Systems

Japan's new Company Law took effect in May 2006. In the same month, OKI's Board of Directors adopted and publicly announced a basic policy for the establishment of an internal control system. The OKI Group is strengthening its corporate governance in accordance with this policy.