OKI
Open up your dreams

Social Responsibility Report
2008

The missions of the OKI Group are to contribute to the realization of an "e-Society" that is full of Ubiquitous Services and to ensure "peace of mind" for the people around the world through our activities accordingly.

Corporate Philosophy

The people of OKI, true to the company's enterprising spirit, are committed to creating superior network solutions and providing excellent information and communications services globally to meet the diversified needs of communities worldwide in the information age.

Our Vision

OKI, Network Solutions for a Global Society
OKI aims to achieve global recognition as an excellent growing company, by providing network solutions that contribute to the advancement of the e-Society.

Global networks are changing the structures of society, economy and industry. These networks enable us to communicate even more interactively, without thinking about the network wherever we may be. Under theses circumstances, different individual entities including persons, firms, municipal governments and nations have become much less constrained. OKI collectively treats these entities as "individuals".

As the concept of an "individual" has become broader in scope, we need to ensure a very high degree of security. Ubiquitous Services advocated by OKI entail the provision of individualized services to each individual to meet their specific, situational needs through ubiquitous networks that enable safe, secure communication.

The e-Society envisioned by OKI enables individuals to:
● Engage freely in their activities whenever and wherever, and be connected with whatever without the constraints of time and space
● Utilize services they need in the style they desire via various interfaces
● Utilize such services through safe, reliable networks.
OKI contributes to the realization of an e-Society.

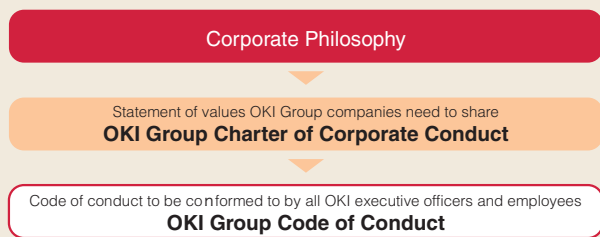e-Society, a society full of Ubiquitous Services

In addition to complying with all related laws and regulations, the OKI Group's CSR initiatives focus on the implementation of sound corporate activities consistent with social norms and the fulfillment of social responsibility based on its corporate philosophy.

The OKI Group, as described in its corporate philosophy, aims at contributing to the improvement of the quality of life for people around the world through its core business, namely the manufacturing and distribution of products and services that can serve the development of the information age. What underlies the group's CSR (corporate social responsibility) initiatives is our commitment to the pursuit and fulfillment of this idea.

In order to cohesively promote our CSR initiatives, we enacted the OKI Group Charter of Corporate Conduct as a statement of values to be shared by all member campanies of the group. In addition, we also established the OKI Group Code of Conduct which is to be conformed to by all executives and employees of the group. We have disseminated the charter and the code across the group through various means
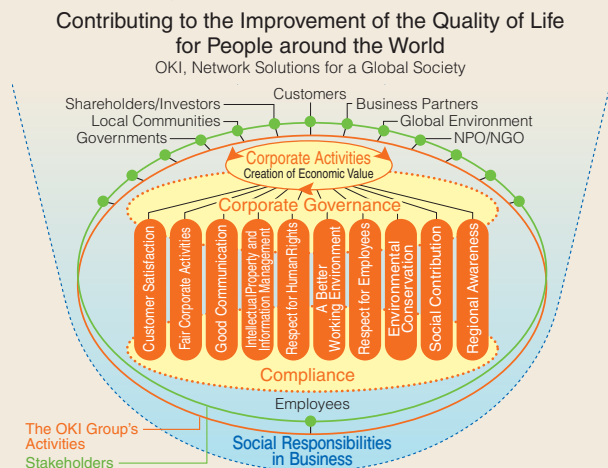
such as training programs. We have also defined seven priority themes to be pursued. The CSR Promotion Division, an organization dedicated to CSR-related efforts, takes the initiative in promoting activities under these themes.

We will continue to make every effort to fulfill our social responsibility based on our corporate philosophy by ensuring that each member of the group complies with the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct.

❯❯ *CSR Initiatives by the OKI Group*

Contributing to the Improvement of the Quality of Life for People around the World
OKI, Network Solutions for a Global Society

❯❯ *Foundation of CSR at the OKI Group*

Corporate Philosophy

Statement of values OKI Group companies need to share
OKI Group Charter of Corporate Conduct

Code of conduct to be conformed to by all OKI executive officers and employees
OKI Group Code of Conduct

OKI Group Charter of Corporate Conduct

For the betterment of corporate value, the OKI Group (Oki Electric Industry Co., Ltd. and members of its group of companies) seeks to provide satisfaction to its customers at all times and to become a trusted partner for our stakeholders, including shareholders and investors, employees, customers and suppliers, and the local societies of the areas in which it operates. In addition to complying with all related laws and regulations, the OKI Group will implement sound corporate activities consistent with social norms, and contribute to the improvement of the quality of life for people around the world.

Customer Satisfaction
The OKI Group is dedicated to developing and providing products and services that ensure continued customer satisfaction, in full consideration of safety and ease of use.

Fair Corporate Activities
The OKI Group conducts appropriate transactions and works to ensure fair, transparent, and free competition.

Good Communication
The OKI Group engages with society through a variety of interactions, and discloses company information in manners that are appropriate and fair.

Intellectual Property and Information Management
The OKI Group recognizes the importance of intellectual property, and properly manages and protects company and customer information, including personal information.

Respect for Human Rights
The OKI Group respects the human rights of all persons involved in its corporate activities and eliminates illicit discrimination of any kind. It does not allow child labor nor forced labor.

A Better Working Environment
The OKI Group ensures and maintains a safe and comfortable working environment for all employees.

Respect for Employees
Respecting the individuality of each employee, the OKI Group creates a corporate culture in which its personnel are encouraged to engage challenges facing the group with courage and determination.

Environmental Conservation
In order to realize and pass on a better global environment, the OKI Group promotes environmental management and makes efforts to conserve the environment through its products and its business activities.

Social Contribution
As a good corporate citizen, the OKI Group implements social contribution activities dedicated to the betterment of society.

Regional Awareness
The OKI Group endeavors to build a positive relationship and grow together with local societies, respecting the cultures and customs of the countries and regions in which it operates.

A Message from the President

OKI aims at realizing an e-Society, a society full of Ubiquitous Services, and contributes to the improvement of the quality of life for people around the world.

Katsumasa Shinozuka
President and Chief Executive Officer
Oki Electric Industry Co., Ltd.

We will fulfill our responsibilities to society in accordance with our corporate philosophy.

Meikosha, Japan's first manufacturer of telecommunications equipment and the predecessor to OKI, was established in 1881. With an enterprising spirit, it took on the challenge of producing telephone sets only five years after Alexander Graham Bell's invention of the telephone and ultimately succeeded.
In short, OKI has been enthusiastic in taking on new challenges in unknown fields since its inception. This attitude embodies our corporate philosophy that underlies our CSR initiatives: "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."

We contribute to the e-Society as a key player.

The OKI Group's vision, "OKI, Network Solutions for a Global Society," is also based on our corporate philosophy. As a key player in the e-Society, we contribute to the improvement of the quality of life for people around the world through the products and services we offer to our customers. The e-Society advocated by OKI is a society full of Ubiquitous Services, services that can be readily used whenever, wherever with whatever, in the users' desired style, and in a secure and reliable manner.
In response to changes in the business environment, we have decided to spin off our semiconductor business and transfer its shares, effective October 1, 2008. This organizational change, however, will not shake our commitment to the realization of the e-Society in the least. We will continue to further solidify our position as a key player in the e-Society by strengthening our info-telecom and mechatronics businesses.

We facilitate the globalization of our operations and CSR initiatives.

The OKI Group is expanding its overseas operations. As we grow into an increasingly global corporation, our social responsibility is becoming heavier and more multifaceted. Realizing the importance of fulfilling this responsibility, we have enhanced corporate governance and facilitated the implementation of group-wide CSR-related activities in accordance with the OKI Group Charter of Corporate Conduct enacted in October 2005.

In August 2007, we established the OKI Group Code of Conduct for all executives and employees in order to help them fulfill the group's social responsibility in compliance with the above charter. The code of conduct was later adopted by the boards of directors of all group companies inside and outside Japan. In order to further contribute to society, we will continue to promote our CSR initiatives by meeting expectations of various stakeholders and playing our roles.

We will carry out CSR-related activities that offer peace of mind to all stakeholders.

The OKI Group's brand statement, "Open up your dreams," is our commitment that expresses the values we offer to our customers in accordance with the aforementioned activities and guidelines. We will continue to make steady and sincere efforts for our CSR initiatives, and further increase our corporate value in order to open the door to a safer, more secure society and offer greater peace of mind to various stakeholders involved in the group. Such stakeholders include our customers, shareholders, investors, employees and suppliers as well as people in local communities.

This Social Responsibility Report 2008 is intended to help all stakeholders better understand the OKI Group's CSR-related activities carried out in fiscal 2007. We sincerely hope that as many people as possible will read this report. Your honest opinions regarding our CSR initiatives would be greatly appreciated.

September 2008

OKI *Open up your dreams*

OKI aims to create an e-Society that enables to achieve the dreams and hopes of all stakeholders.

The brand statement of OKI expresses the opening of a door to a society, where people around the world can lead more lives that are enriched, safe and secure.
The statement also expresses our dream to contribute to the e-Society.

"Opening up your dreams" and "accomplishing our ambitions" are OKI's commitments that are inherent in its brand statement.

— **OKI opens up your dreams** —

Company Profile

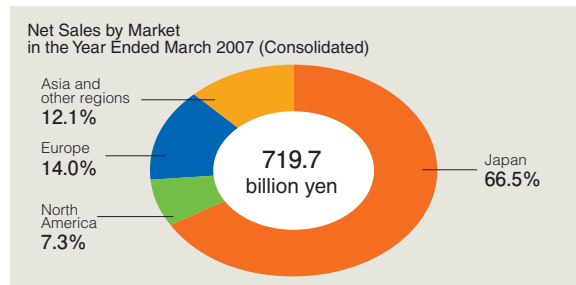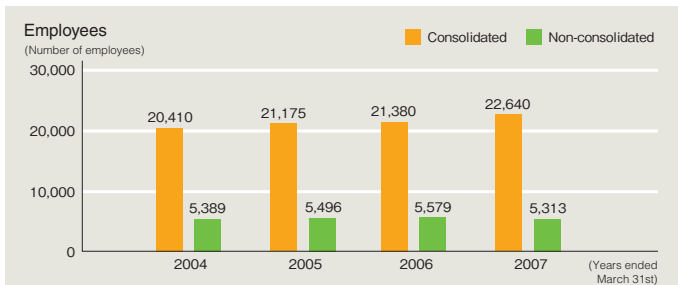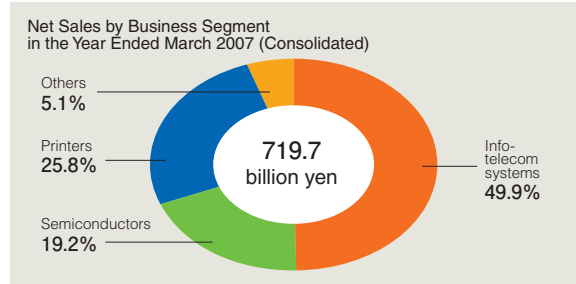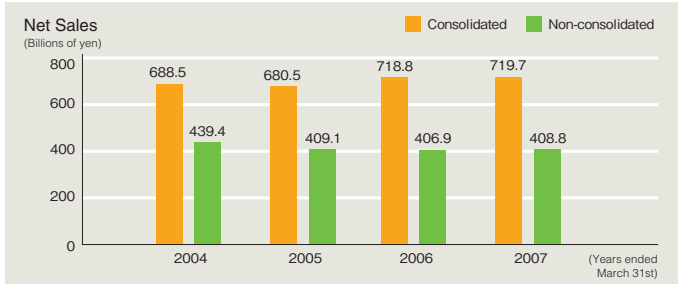## Profile

Oki Electric Industry Co.,Ltd.

Founded in:	January 1881
Company Established:	November 1, 1949
Common Stock:	76.94 billion yen

Employees: 22,640 (Consolidated) 5,313 (Non-consolidated)
(As of March 31, 2008)

Head Office: 16-11, Nishi-shinbashi 3-chome,
Minato-ku, Tokyo 105-8460, Japan
TEL: +81-3-5403-1211

Net Sales
(Billions of yen)

Consolidated / Non-consolidated

Year	Consolidated	Non-consolidated
2004	688.5	439.4
2005	680.5	409.1
2006	718.8	406.9
2007	719.7	408.8

(Years ended March 31st)

Net Sales by Business Segment
in the Year Ended March 2007 (Consolidated)

719.7 billion yen

- Others 5.1%
- Printers 25.8%
- Semiconductors 19.2%
- Info-telecom systems 49.9%

Employees
(Number of employees)

Consolidated / Non-consolidated

Year	Consolidated	Non-consolidated
2004	20,410	5,389
2005	21,175	5,496
2006	21,380	5,579
2007	22,640	5,313

(Years ended March 31st)

Net Sales by Market
in the Year Ended March 2007 (Consolidated)

719.7 billion yen

- Asia and other regions 12.1%
- Europe 14.0%
- North America 7.3%
- Japan 66.5%

Editorial Policy

- The Social Responsibility Report is published once a year in order to inform our stakeholders of the OKI Group's CSR (corporate social responsibility) initiatives in an easy-to-understand way.

- Sustainable social and corporate development requires approaches that balance social, environmental and economic perspectives. This report focuses mainly on our efforts to fulfill our social responsibility while we publish the Environmental Report on our environmental efforts. The economic aspect of our corporate activities, such as our financial and business performance, is covered by the Annual Report.

Social Responsibility Report

Society

Annual Report — Economy — Environment — Environmental Report

- This report features four articles under the title "Meeting Our CSR Commitment" that cover four key challenges for the OKI Group in which our stakeholders as well as the public show an intense interest. The report also describes our seven priority themes about social responsibility and our efforts made during the year ended March 2008 following these themes.

Stakeholders' interest (greater) / Significance to the OKI Group (greater)

Meeting Our CSR Commitment

- Corporate governance
- Priority themes

《 Stakeholders' interests 》
- Discussions related to GRI and ISO26000
- Initiatives in the industry such as EICC, GeSI and JEITA
- Opinions from stakeholders on past Social Responsibility Reports
- Opinions from stakeholders collected through various surveys of employees and others.

《 Significance to the OKI Group 》
- Corporate Philosophy, Corporate Vision
- The OKI Group Charter of Corporate Conduct, the OKI Group Code of Conduct
- Priority themes about CSR
- Risk management and other issues

GRI (Global Reporting Initiative): An international NGO that develops and disseminates globally applicable sustainability reporting guidelines.
ISO26000 (International Organization for Standardization 26000): An international standard providing guidelines for social responsibility (that is currently being developed).
EICC (Electronic Industry Code of Conduct): A code of conduct established under the leadership of electronic manufacturers in the United States.
GeSI (Global e-Sustainability initiative): A partnership of information and communications technology companies that published an analytical report on sustainability in April 2008.

Business Segments (as of September 2008)

Info-Telecom Systems

OKI develops info-telecom systems by focusing on next-generation networks and strengthening info-telecom converged technology and mechatronics.
- Financial Services
- Telecommunications
- Information Systems

Semiconductors *

Printers

OKI manufactures and distributes mid-and-high-range multifunction, non-impact color printers around the world.

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*About our business structure after October 1, 2008

As global competition has become more intense, OKI has been implementing a company-wide reform of its business structure in order to increase its competitiveness and enhance its corporate value. As part of this reform, OKI will spin off its semiconductor business to establish a new subsidiary, OKI Semiconductor Co., Ltd. on October 1, 2008. Furthermore, 95% of the new subsidiary's shares will be transferred to Rohm Co., Ltd. on the same day so that both OKI and Rohm can benefit from the synergy achieved by this relationship.
Under this new business structure, the OKI Group will strengthen its info-telecom business and mechatronics business (which include the manufacturing and distribution of automated teller machines and printers), continue to meet expectations from various stakeholders, and further improve our corporate value.

Scope Covered by this Report

Time Period
This report covers fiscal 2007 (the year from April 1, 2007 to March 31, 2008). However, the report also discusses some facts preceding this period as well as policies and plans to be implemented in subsequent periods.

Organizations
The report covers the activities of Oki Electric Industry Co., Ltd., its subsidiaries and affiliates inside and outside Japan. Environmental data mentioned in this report refer to 16 OKI sites in Japan, 23 group companies in Japan and 8 overseas group companies.

Corporate Names / Names of Organizations
In this report, Oki Electric Industry Co., Ltd. is referred to as "OKI," and its corporate group, including its subsidiaries and affiliates, as the "OKI Group." The names of the organizations referred to in this report, in principal, are those used as of April 2008.

Reference Guidelines

The 3rd Edition of the Sustainability Reporting Guidelines (Global Reporting Initiative)

Forecasts, Plans and Targets

In addition to factual information about the past and current activities of the OKI Group, this report also includes forecasts, plans and targets for the future. They reflect assumptions and judgments based on information available at the time of writing. Thus, readers are requested to understand that the future results of the company's activities could be different from what is described in this report.

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For further information, please contact:
CSR Promotion Division
Oki Electric Industry Co., Ltd.
E-mail: oki-csr@oki.com

Creating an e-Society where we can utilize services whenever, wherever with whatever, in the desired style, and in a secure and reliable manner

Yuichiro Hiranuma

President
Ubiquitous Service
Platform Company

The e-Society envisioned by OKI is a society full of ubiquitous services. In such a society, you can find a restaurant that best suits your taste, health and eating habits wherever you go. I believe not only convenience and efficiency but also services helping people focus on more human-centered activities are necessary for the e-Society. In order to create such a society, highly sophisticated information security and natural people-information interfaces are essential in addition to network technology. In this context, we have promoted the development of new technologies from various perspectives.

Ubiquitous Services as a New Innovation

The popularization of the Internet as well as advanced networking technologies such as broadband and mobile communications has changed the conventional concepts of "distance," "time" and "national borders" while accelerating paradigm shifts* in various fields. Under these circumstances, the advent of a new innovation called ubiquitous services has attracted considerable attention. This innovation allows us to access individualized information, content and services in the most desirable manner whenever and wherever necessary.

The word "ubiquitous" comes from Latin, meaning "being everywhere at the same time." Conventional services that are constrained largely by time and space require users to use corresponding devices. On the contrary, the advent and popularization of personal computers and cell phones have dramatically expanded the scope of services available to us without the constraints of time and space.

Let us take a simple action of withdrawing money as an example. Several decades ago, we had to go to bank counters with our bank books and seals during business hours to draw money from our own accounts. Then we started using cash cards and ATMs. After a while, ATMs were installed at almost all convenience stores. Today we can deposit, withdraw and use electric money with our cell phones. In short, we have come closer to the age of ubiquitous services in terms of withdrawing money. Further development of identity verification technology might allow us to draw money or shop at stores without carrying any devices in the future. When this future is realized, we will be freed from time, place and physical constraints. Ultimate ubiquitous services entail an environment in which we are surrounded by all kinds of services wherever we go with complete access whenever necessary.

OKI has been involved in the development of various solutions in order to realize an e-Society full of ubiquitous services.

"Edy charge solution" that allows people to charge (add value to) their mobile Edy application by simply accessing their Internet bank account via their mobile phone.

*A paradigm shift refers to a process in which the dominating idea in a certain period or field is replaced by a new idea.

Challenges for the e-Society and NGN (Next Generation Network)

Networks play an important role in realizing ubiquitous services. However, current networks have some problems to be overcome such as security on the Internet, quality of services, and interfaces between different networks. NGN (Next Generation Network)* is a new global network to solve all these problems.

NGN in fact is a service platform that integrates information, fixed and mobile telecommunication systems, and broadcasting into one package so that many different services can be offered through one network. When combined effectively with different kinds of services, NGN would help realize a safe, secure society full of ubiquitous services.

* NGN (Next Generation Network) is an IP-based network service platform for the coming generation. It is currently being standardized by ITU-T (International Telecommunication Union Telecommunication Standardization Sector). NGN allows the distribution of high-quality images, videophone services and highly reliable communication services for enterprise use as well as the conventional fixed and mobile telephone services on the same IP network.

Architecture for Realizing Ubiquitous Services

Believing that continuous technological innovation is necessary for delivering ubiquitous services to customers, OKI has defined an architecture for creating such services in an open environment. It has become a basis of OKI's technological development and product development.

The architecture is built around NGN, and comprised of different networks (including the Internet, enterprise networks and sensor networks), a common architecture for delivering ubiquitous services, and ubiquitous services individualized for different industry sectors. OKI has addressed the creation of safe, secure ubiquitous services individualized for each customer based on this architecture.

● Architecture for Realizing Ubiquitous Services
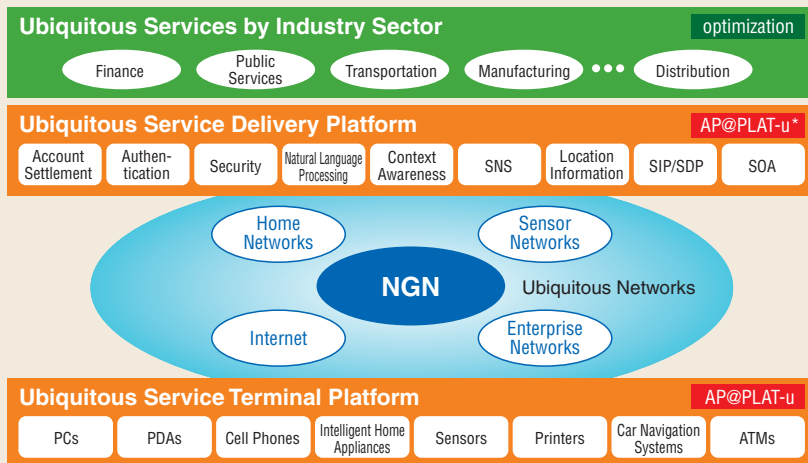
*AP@PLAT-u is a platform for building systems to deliver ubiquitous services. It is designed to standardize and connect different services.

Employee Perspective

Mitsuo Shimohata

Guest Associate Professor
OKI Endowed Course in
Ubiquitous Services
Interfaculty Initiative in
Information Studies
The University of Tokyo

I now teach the OKI Endowed Course in Ubiquitous Services at the University of Tokyo. As an engineer at OKI, I long believed that good services were the natural outcome of good technology. As businesses have recently become increasingly service-oriented, I have recognized the importance of services.

The concept of ubiquitous services was developed in response to this service-oriented trend. The endowed course helps students depart from the conventional technologically-oriented way of thinking, discusses how services should be in an e-Society full of ubiquitous services, and explores challenges in popularizing such services. I want to experience the convenience and comfort of such a society in the near future.

Column

OKI Endowed Course in Ubiquitous Services

Aiming at realizing an e-Society, the OKI Group has supported academic research on ubiquitous services. In April 2007, the OKI Endowed Course in Ubiquitous Services was opened at the Interfaculty Initiative in Information Studies, the University of Tokyo. The purpose of the course is to deepen knowledge about ubiquitous services through practical surveys and analysis, carry out research and development for creating such services, and thus contribute to society.

In order to commemorate the opening of the course, a symposium under the title "Service Innovations Through Ubiquitous Services" was held at Yasuda Auditorium of the University of Tokyo on February 4, 2008. At the symposium, Professor Ken Sakamura of the University of Tokyo (Interfaculty Initiative in Information Studies) and Katsumasa Shinozuka, President of OKI, delivered keynote speeches that were followed by a panel discussion. The participants in the discussion enthusiastically exchanged their opinions on service innovations offered through the infrastructures of an e-Society, challenges in popularizing ubiquitous services, and other important topics. The course will continue to promote joint research projects and symposiums on such topics.

Akifumi Sakamoto

General Manager
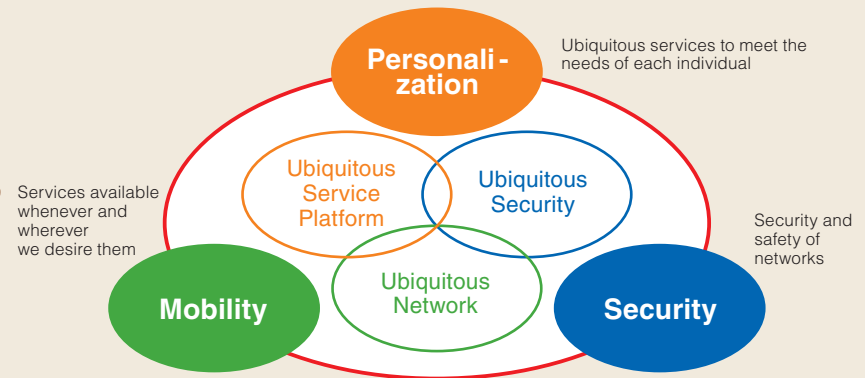Ubiquitous Service Division
Network System Company

Network access is ubiquitous today. More and more devices around us such as cell phones, video game consoles, cars and sensors are being connected the network. Along with intelligent functions such as image recognition, we will be surrounded by sophisticated services most appropriate for us wherever and whenever we desire, even at the exact moment we come to want them. Looking ahead to such a future, we put great importance on discussing exactly what services we can offer and how to deliver them now. OKI was founded by a man believing in the future of telecommunication. The history of OKI is a history of taking on new challenges. We will continue to uphold this tradition and offer new values.

Three Keys to Realizing Ubiquitous Services

There are three keys to realizing ubiquitous services: personalization, mobility and security. OKI has developed various products and the technologies embodying them, thus contributing to the realization of services that could solve problems in an e-Society full of ubiquitous services.

● Three Keys to Realizing Ubiquitous Services

Ubiquitous services to meet the needs of each individual

Services available whenever and wherever we desire them

Security and safety of networks

Personali-zation

Ubiquitous Service Platform

Ubiquitous Security

Mobility

Ubiquitous Network

Security

■ Case Examples

Personalization

Reproducing One's Real Voice – Utilizing OKI's Speech Synthesis Technology
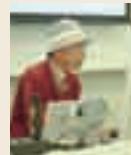
Professor Izumi Maki at Osaka University of Arts had to have his vocal cords removed due to a throat disease. OKI offered the professor its innovative speech synthesis system that could reproduce the user's real voice. Based on the data of the professor's voice recorded before the surgery, the system reproduces his real voice using OKI's corpus-based text-to-speech (CTTS) technology. Professor Maki was back at the university after the surgery and started teaching again using the system in April, 2008. Since the system converts text (not only lecture notes prepared beforehand but also text input through a keyboard during lectures) into real-time speech in his real voice, the professor is able to communicate with his students in a very natural way.

Mobility

Participation in the Tokyo Ubiquitous Plan: Ginza

OKI participated in the "Tokyo Ubiquitous Plan: Ginza," a filed test program organized by the Tokyo Metropolitan Government and the Ministry of Land, Infrastructure and Transport. During the program conducted from November 2007 to March 2008, OKI tested the "eSound positioning" function of its IP voice communication software called eSound Engine.

The function was designed to support autonomous mobility. It allows intuitive navigation by adding a sense of direction to voice communication.

During the test carried out in the form of an emergency drill, the participants were given handheld terminals called Ubiquitous Communicators*. Guided by directions given through these terminals, the participants were able to go to the designated evacuation area.

*The Ubiquitous Communicator is a handheld terminal developed by YRP Ubiquitous Networking Laboratory.

Security

Highly Secure Wireless LAN System

In March 2008, OKI delivered its highly secure wireless LAN system to Mizuho Information & Research Institute Inc. Using wireless LAN equipment developed by Aruba Network Inc., U.S.A., the system ensures a high level of security by transmitting encrypted data in both wired and wireless sections of communication networks. The system, which is built based on OKI's experience and knowledge in the area of information systems for the financial industry, meets FISC Security Guidelines.*

*FISC Security Guidelines are the computer system security guidelines established by the Center for Financial Industry Information Systems (FISC).

Efforts for Promoting Telework, a Working Style Suitable for an e-Society Full of Ubiquitous Services, and Problem Solving Through Practice

Telework, a work arrangement in which employees work at locations other than traditional workplaces (offices) utilizing IT, has recently attracted considerable attention. Telework is regarded effective in three aspects: 1) the reduction of employment constraints for the physically disabled or those who have to stay at home for child rearing or nursing care; 2) the realization of more efficient working arrangements; and 3) easier risk management in times of disaster (business continuation even when the office is unusable or commuting is impossible). Although telework involves the solution of several problems such as security and labor management, its flexibility is unaffected by time and place which makes it suitable for an e-Society full of ubiquitous services.

The OKI Group has been actively adopting telework for disabled persons. OKI Workwel, a special subsidiary* of OKI, has 32 developmentally disabled persons as teleworking employees as of April 2008. As the company has gained experience in working with teleworkers, it has come to realize several problems involved in this style of work. Among them are 1) slower decision making when working as a team, 2) limited information available to teleworkers, 3) difficulties in conducting effective training, and 4) feelings of loneliness teleworkers are likely to suffer. In 2007, the company developed a new communication system called the Workwel Communicator to solve these problems, and support information sharing and decision making by teleworkers. Based on the OKI Group's philosophy of universal design, the system features a user-friendly interface reflecting opinions from the company's physically disabled employees and a high-quality voice communication function suitable for prolonged use.

The User's screen of the Workwel Communicator that allows the members of a project team in different locations to have a meeting in a virtual conference room

Based on such experiences, some other companies of the OKI Group have started adopting telework in order to raise business efficiency, and help their employees work-life balance.

*A special subsidiary is a company established to provide special considerations for the employment of people with disabilities as defined in the Law for Employment Promotion, etc. of the Disabled.

Employee Perspective

Kenji Yamamoto
OKI Workwel

I work at home in Miyazaki as a teleworking employee of OKI Workwel. My job is to create and update the Websites of our customers. I use the Workwel Communicator to hold discussions with other people.

Before the introduction of the Workwel Communicator, I used to use e-mail or a cell phone to communicate with other people. Such communication, however, was not efficient. Today, I am able to hold discussions with two or more people at the same time. I believe our productivity and efficiency have considerably improved thanks to the system. The system has also made communication within the company more effective.

The Workwel Communicator is a very important business tool for me because it allows me to work and communicate with other people as if we were in the same office.


Column

The OKI Group's Approach to Universal Design

Universal design is a concept indispensable for the creation of ubiquitous services. The OKI Group defines universal design as the achievement of a high level of usability (basic user-friendliness) and accessibility (considerations for elderly people and people with disabilities) in products and services so that all customers can use them properly, effectively and satisfactorily.

The OKI Group's efforts to enhance usability and accessibility are based on four concepts. First, products must have interfaces that are easy to understand. Second, mental and physical stress on users must be minimized. Third, there must be choices of operating procedures. Fourth, products must be designed in a friendly and attractive package. In order to promote universal design, OKI established a cross-functional organization called the Ergonomics Committee. The committee conducts verification tests and collects opinions from users which help shape products and services.

● Universal Design Intended for the Use of as Many People as Possible
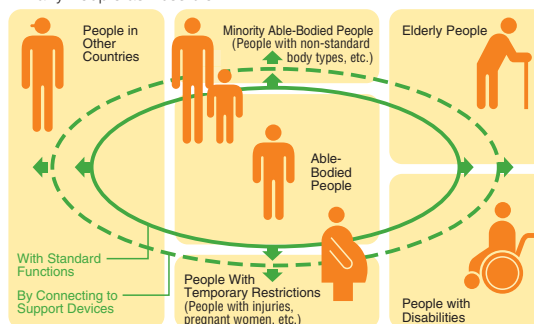
Establishing a sophisticated system for the entire group to manage chemical substances contained in our products utilizing OKI's cutting-edge technology

Shuichi Kawano

Executive Officer
General Manager
Global Environment Division

Now that people have become more and more conscious of environmental protection and safety, it is very likely that they will be more interested in chemical substances used in the products they purchase. Chemical substances have to be strictly controlled and managed throughout production processes. Furthermore, manufacturers must consolidate information on all chemical substances to be used, properly manage such information, comply with different laws and regulations, and promptly meet requests for information disclosure. The OKI Group developed a system to manage information on chemical substances contained in products before other manufacturers started addressing this issue. We will continue to make every effort to meet all applicable laws and regulations utilizing our advanced information technology.

## Pioneering the Management of Chemical Substances in Products

Various laws and regulations concerning chemical substances, such as EU's RoHS Directive and REACH*, have recently been enacted across the world. OKI started addressing the management of chemical substances in products and the elimination of toxic chemical substances as one of its important challenges before the establishment of these regulations. In 1995, it established a production assessment system that was followed by a survey for green procurement in the late nineties. OKI completed the survey of its 107 suppliers (that offered approximately 20,000 components and materials) by 1999.

*REACH is a EU regulation to be applied to all companies manufacturing or importing materials or articles (products, components, molded pieces, and so on) in the European Union. The regulation requires companies to evaluate the safety and risk of chemical substances contained in their products, and register them with the European Chemical Agency.

Establishing a System to Manage Information on Chemical Substances in Products

"How should we utilize the data obtained from the survey for green procurement?" The OKI Group's answer to this question was to establish a system to manage information on chemical substances in products (called COSMOS within the group) by combining a database of chemical substances and its product design systems. COSMOS was designed to automatically calculate the amount of chemical substances in each product and verify conformity with customer requests and applicable regulations, utilizing OKI's advanced network technology. OKI started implementing the system in 2000, and collected data on 40,000 components
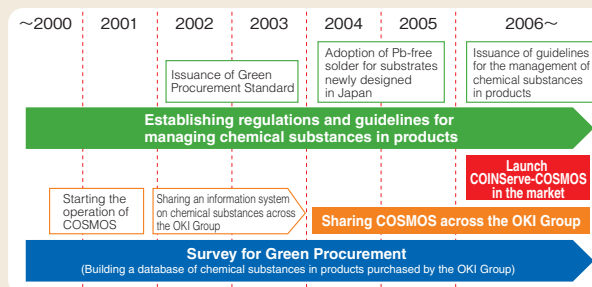
and materials offered by 250 suppliers at the end of the same year. In 2004, the system was implemented across the OKI Group. The results of each verification can be output as a report in the industry standard format.

Enhancing the Management of Chemical Substances to Meet Increasingly Strict Regulations

The REACH regulation,　put into effect in June 2007, places responsibility on manufacturers of articles for evaluating the safety of their products. It means that the traceability of chemical substances in products has become increasingly important. The Japanese manufacturing industry has also become very active in following this trend by establishing some organizations to promote the proper management of products and articles containing chemical substances. In order to address this issue, the OKI Group has implemented three measures: 1) the efficiency of management procedures; 2) the improvement of accuracy of chemical substance information and 3) the establishment of management operation

The Efficiency of Management Procedures

In order to meet various regulations and requirements concerning chemical substances in products, the OKI Group has built and implemented a system to manage them. The system stipulates all detailed processes to be carried out from the designing phase to the manufacturing phase.

The group has also defined the Green Procurement Standard to check up on its suppliers, their systems and efforts for environmental protection, and the chemical substances contained in their products, in order to further reflect the requirements from customers and fully meet the demands of applicable laws and regulations.

Green Procurement Standard
http://www.oki.com/en/eco/greenprocure/

● The OKI Group's Efforts for the Management of Chemical Substances

~2000	2001	2002	2003	2004	2005	2006~
				Adoption of Pb-free solder for substrates newly designed in Japan		Issuance of guidelines for the management of chemical substances in products
		Issuance of Green Procurement Standard				
Establishing regulations and guidelines for managing chemical substances in products						
						Launch COINServe-COSMOS in the market
Starting the operation of COSMOS		Sharing an information system on chemical substances across the OKI Group				
					Sharing COSMOS across the OKI Group	
Survey for Green Procurement (Building a database of chemical substances in products purchased by the OKI Group)						

The Improvement of Accuracy of Chemical Substance Information

As regulations concerning chemical substances have become more sophisticated, information on such substances we have to deal with has increased and become more complex. In order to consolidate and manage such information properly, OKI developed a new system called COSMOS-M and started implementing the system across the group in June 2008.

While the previous generation of COSMOS handled information of the design phase only, COSMOS-M enables us to consolidate and manage information of the design, purchase, manufacture and shipment phases. It ensures the traceability of chemical substances in products and allows the prompt provision of information to customers.

The Establishment of Management Operation

In order to properly and effectively manage chemical substances in products, understanding and cooperation from the people directly involved in its processes -- those working in design, manufacturing and other related business units -- are indispensable. Thus, OKI holds briefing sessions on regulations concerning chemical substances, industrial guidelines, procedures of the OKI Group's system to manage chemical substances, the operation of COSMOS-M, and other related topics at the member companies of the group inside and outside Japan.

The OKI Group has also introduced a new in-house recognition system that addresses conformity, and conducted internal audits into the management of chemical substances of main designing and manufacturing sites in Japan and other countries. In this way, the group constantly checks that member companies are meeting its standards.

The OKI Group plans to roll out the implementation of its system to manage chemical substances in products to not only its member companies but also to its suppliers so that it can create products that fully meet global regulations dealing with chemical substances.

Employee Perspective
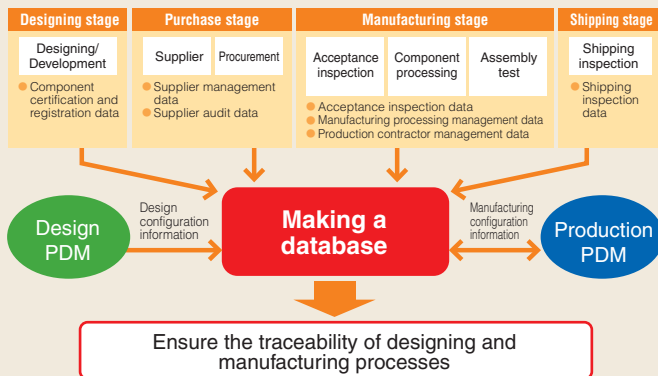
Tomohisa Takanuki
Environmental Division
OKI Engineering

As the OKI Group has strengthened its component recognition standards, it has conducted chemical analysis of components when they are registered. The Environmental Division of OKI Engineering is responsible for such analysis.

We test all products and components in terms of chemical substances subject to applicable regulations. These include small parts like chip resistors, components like circuit substrates, and finished products. The levels of chemical substances are analyzed using various instruments such as fluorescent X-ray analyzers and ICP mass spectrographs.

We will continue to offer accurate and reliable analysis services to meet increasingly sophisticated regulations concerning chemical substances contained in products.

● Management of Information on Chemical Substances Using IT Systems

Designing stage	Purchase stage		Manufacturing stage			Shipping stage
Designing/ Development	Supplier	Procurement	Acceptance inspection	Component processing	Assembly test	Shipping inspection
● Component certification and registration data	● Supplier management data ● Supplier audit data		● Acceptance inspection data ● Manufacturing processing management data ● Production contractor management data			● Shipping inspection data

Design PDM → Design configuration information → **Making a database** ← Manufacturing configuration information ← Production PDM

Ensure the traceability of designing and manufacturing processes

column

COINServe-COSMOS – Commercialization of OKI's System to Manage Information on Chemical Substances

When OKI unveiled COSMOS, its system to manage information on chemical substances in products, there were a great number of inquiries from outside companies about the availability of the system. In order to meet their requests, OKI developed COINServe-COSMOS, the commercialized version of COSMOS. This product features the aggregation and management of information on chemical substances in products, the automatic generation of reporting formats, the assessment of conformity with applicable laws and regulations, and

information search. OKI is currently localizing the product in different languages in preparation for a global market launch.

It is not easy to properly manage chemical substances in products to meet increasingly sophisticated domestic and global laws and regulations. Based on the system OKI uses everyday for updating and managing information on chemical substances, COINServe-COSMOS is highly regarded for its versatility and flexibility.

Establishing and continuously enhancing information security systems living up to the corporate vision, "OKI, Network Solutions for a Global Society"

Masayoshi Matsushita

CIO
Executive Managing Director
(Chairman of Information Security Committee)

There cannot be perfect information security no matter how hard we work to improve our security systems. What ultimately matters is how each individual recognizes the importance of security. As the capacity of personal computers used for day-to-day business processes has dramatically increased, people are able to store vast amounts of information in their PCs. In order to help each employee of the OKI Group realize that information itself is an "asset," we make constant efforts to increase security awareness and sensitivity. We have also reexamined the role and necessity of personal computers, and are considering introducing a thin client* system in which individual users do not store data in their PCs.

* The term "thin client" here means a system architecture in which client computers have only minimum capability and all significant processing occurs on a remote server.

The Importance of Information Security in the IT society

As the integration, networking and mobility of business processes have become indispensable for corporate activities, some new risks have come to the fore, such as unauthorized access through security holes and damage by computer viruses. According to the Information Technology Promotion Agency, more than 34,000 cases of computer virus damage are reported every year although the number of viruses detected has been decreasing. Furthermore, there have been many leaks of personal or business information through P2P*[1] file-sharing software in the last few years. Under these circumstances, dealing with such security risks has become increasingly important for firms.

The OKI Group, as a provider of network solutions for a global society, has been committed to the promotion of information security for a long time. While offering its customers various security products and services, it has also been active in enhancing its internal systems to manage information security. For example, the group defined the OKI Group Security Policy in 2002, and the division responsible for the establishment and operation of in-house information systems obtained ISMS*[2] certification.

However, in September 2006 it came to light that some personal and business information belonging to a group of customers had leaked out to the Internet through a PC owned by an employee of the OKI Group. The employee was using the Winny file-sharing software with his PC. The OKI Group took this incident seriously and formalized a group-wide policy for preventing further information leaks. The entire group will continue to enhance its security systems to ensure safe, secure information management.
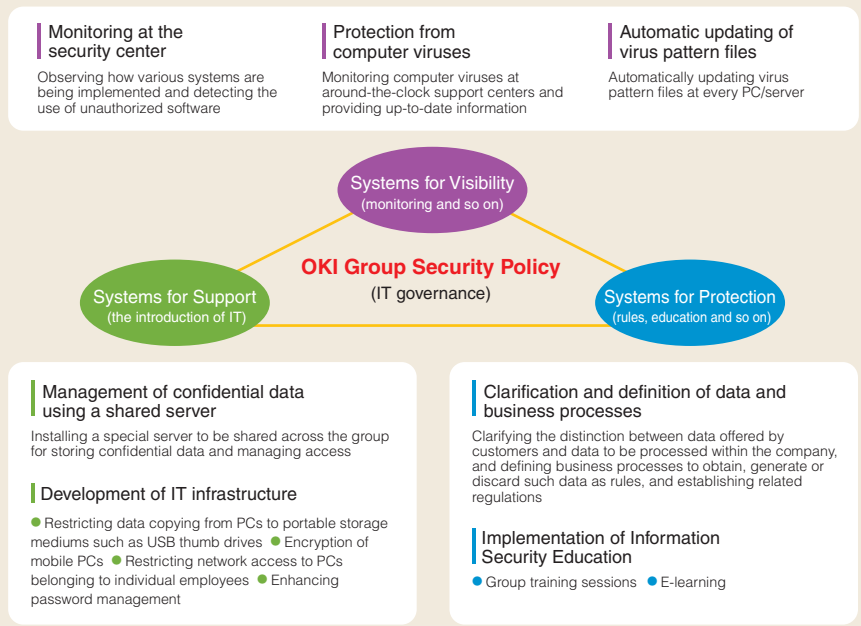
*[1] P2P (peer-to-peer) communication is a style of direct communication between two personal computers.
*[2] ISMS, that stands for Information Security Management System, is a standard commonly known as ISO27001 (ISO/IEC27001 2005). It was published in October 2005 by the International Organization for Standardization.

OKI 's Efforts for Information Security

Believing that a comprehensive approach is necessary to ensure information security, the OKI Group makes various efforts based on the three perspectives shown in the following diagram in accordance with its OKI Group Security Policy for Information Security.

● Information Security Systems Based on Three Perspectives

Monitoring at the security center
Observing how various systems are being implemented and detecting the use of unauthorized software

Protection from computer viruses
Monitoring computer viruses at around-the-clock support centers and providing up-to-date information

Automatic updating of virus pattern files
Automatically updating virus pattern files at every PC/server

Systems for Visibility (monitoring and so on)

OKI Group Security Policy (IT governance)

Systems for Support (the introduction of IT)

Systems for Protection (rules, education and so on)

Management of confidential data using a shared server
Installing a special server to be shared across the group for storing confidential data and managing access

Development of IT infrastructure
● Restricting data copying from PCs to portable storage mediums such as USB thumb drives ● Encryption of mobile PCs ● Restricting network access to PCs belonging to individual employees ● Enhancing password management

Clarification and definition of data and business processes
Clarifying the distinction between data offered by customers and data to be processed within the company, and defining business processes to obtain, generate or discard such data as rules, and establishing related regulations

Implementation of Information Security Education
● Group training sessions ● E-learning

The Information Security Committee and Strict Security Management Across the Group

The OKI Group was very active in preventing information leaks during the fiscal year ended March 2008 in accordance with its plan for the entire group shown in the following table.

In order to disseminate the systems to prevent information leaks among all people using the group's information infrastructure (including the executives, permanent employees, part-time employees, and temporary staff of each member company), the group established the Information Security Committee in May 2007. After briefing sessions were held at all business units, each business unit designed a system to promote information security and developed its security plan (See Page 22).

The entire OKI Group will continue to make every effort to ensure information security and build trust.

● Main Activities for Information Security in the fiscal year ended March 2008

Main Activities	Description	4	5	6	7	8	9	10	11	12	1	2	3
Establishment of the Information Security Committee	·Approving the security policy and activity plan for 1H of 2007		▼										
Development of security measures for the entire group	·Determining related regulations, a work flow to be followed, and IT to be used		➡										
Holding briefing sessions at all business units	·Explaining procedures for preventing information leaks and other tasks common to all business units			➡									
Establishment and implementation of each business unit's plan	·Developing plans to promote security and making a schedule for the plan				➡								
Establishment of an information security portal	·Disclosing security measures to be carried out across the group				▼								
Information security education	·Disseminating security measures to be carried out across the group through e-learning							➡					
General checkup across the group	·Inspecting how security measures are being carried out							➡					
Meeting of the Information Security Committee for 2H of 2007	·Reporting the activities in 1H / approving the activity plan for 2H								▼				
Information Security Audit	·Conducting an information security audit by Internal Auditing Division									▼			

Tae Nabeyama
Enterprise Solutions Division
System Solutions Company

Since our main job is to offer IT solutions to various customers in various industry sectors such as transportation, tourism, distribution and manufacturing, we handle a large amount of diverse information. In order to carry out security measures, we first carefully examined which information was subject to our information security management, and then held briefing sessions for the entire division.

As some of our security measures involve inconvenience, such as restrictions on data copying from PCs to portable storage mediums, they cannot be effectively implemented and disseminated unless each member of the division understands their importance. As we went through repeated briefings, each member of the division became more conscious of the significance of information security, thus helping us promote our security measures. We will continue to improve our systems to further promote information security.

C olumn

Security Products That Protect Customers

Color LED Printer with enhanced security features

The OKI C8800dn color LED printer features various security functions such as authenticated secure printing using a contactless smart card that prevents information leaks from printed data or documents. An optional security kit Type A for the printer allows the encryption of print data stored in the hard drive.

The C8800dn module with this security kit has been certified ISO/IEC 15408 (EAL3).

Iris Recognition Middleware for Mobile Devices

OKI's iris recognition middleware for mobile devices is designed to incorporate an iris recognition* function in cell phones or laptop computers. It prevents the improper use of lost or stolen mobile devices, and enables secure authentication for remote access and electronic payment.

* Iris recognition is a biometric system to authenticate the identities of individuals based on the iris patterns of their eyes. The false-acceptance rate of this system is one in 100,000 (one in 1,200,000 if used with an infrared camera).

Improving the quality of management in various aspects such as product quality, environmental protection, and occupational health and safety

Shigeo Nomura

General Manager
Production/Quality Management Office

We have to address diverse issues at our manufacturing sites. These issues include not only the improvement of productivity and product quality, environmental protection, and occupational health and safety but also the protection of human rights, ensuring ethics, and business continuity in a time of disaster. In cooperation with each corporate division of OKI, the Production/Quality Management Office offers support for the improvement and streamlining of management to each manufacturing site. In addition to meeting customer needs and complying with applicable laws and regulations, we see things in a broad context, and help each manufacturing site work symbiotically with its employees, suppliers and the local community, while paying attention to the possibility of management integration in the future.

Social Responsibilities Demanded at Manufacturing Sites

The OKI Group has manufacturing sites not only in Japan but also in other countries including China, Thailand and Great Britain. There are a wide range of issues to be addressed at these manufacturing sites. Among them are the strict control of product quality, the reduction of environmental impacts arising from manufacturing activities, and the appropriate management of occupational health and safety for people working in manufacturing settings. As these issues are covered in the OKI Group Charter of Corporate Conduct, the OKI Group has made every effort to fulfill its social responsibilities with respect to its manufacturing sites.

As people around the world have become increasingly aware of corporate social responsibility, efforts for these issues are sometimes incorporated specifically in the terms and conditions of business agreements. In order to follow this trend and meet the needs of our partners and customers, the OKI Group has established and implemented various systems to appropriately address these issues at each manufacturing sites.

Establishment and Appropriate Implementation of Management Systems

In order to ensure quality and obtain trust from customers, the OKI Group has been very active in quality control efforts with a Quality Management Department to supervise the entire group while each in-house company or group company has a Quality Assurance Division. The group's manufacturing sites have established their own quality control systems in accordance with their production lines and the characteristics of their products. Furthermore, every manufacturing site of the group has obtained ISO 9001 certification.

Regarding environmental protection, the OKI group has been promoting "Company-wide network-type environmental management" to achieve an efficient management in the entire group, by vertically and horizontally combining the activities of

our sites and in-house companies. As part of such environmental efforts across the group, the OKI Group obtained ISO 14001 Consolidated Certification for the group. Since then, the group has continued to expand the scope of the certification. In 2007, we expanded the scope of ISO14001 Certification to include ten more business units including two manufacturing sites in China. The OKI Group will continue to expand the scope, and enhance compliance with environment-related laws and regulations.

Occupational health and safety is also a major agenda. It is being managed at each manufacturing site by its Safety and Health Committee. The committee is comprised of members from both management and employees. In addition, OKI has conducted a spot safety-management investigation of each manufacturing site once a year in accordance with common criteria since 2001.

Kunshan Site of Oki Electric Technology (Kunshan) Co., Ltd. newly added to the scope of ISO14001 Certification

Interactions with Local Communities

In addition to the safe and secure operations of its manufacturing sites, the OKI Group is also responsible for contributing to the development of local communities. Other than the employment of local citizens and various training programs for them, the group has been enthusiastically interacting with local communities and conducting social action programs.

OKI Data Manufacturing Thailand gives its employees seedlings on Environment Day and encourages them to contribute to the reduction of carbon dioxide emissions.

C olumn

Comprehensive Management of Environmental Efforts, Product Quality, and Occupational Health and Safety
The Dong Guan Tang Xia OKI Micro Engineering Factory

The Dong Guan Tang Xia OKI Micro Engineering Factory is a manufacturing site of OKI Micro Engineering (HK) Limited, a Chinese subsidiary of OKI Micro Engineering Co., Ltd., a member company of the OKI Group that specializes in manufacturing motors and actuators. The factory was established in April 2006 to meet an increasing demand for motors in China. Approximately 600 employees are currently working at the factory located in Dong Guan City, Guandong Province. It manufactures stepping motors for OA equipment.

Manufacturing lines designed for production innovation

Embodying Operating Policy in Management Systems

A progressive approach was taken for the factory from the planning phase. First, a group of highly capable people were employed from among local residents as manager trainees. With them as the core members, OKI Micro Engineering (HK) Limited started preparing for the opening of the factory at the end of 2005 and built systems for commercial production in a short period of six months.

The factory set an operation policy at its opening: "The company and its employees work together steadily to make visible changes for a bright future." In order to put this policy into practice,

Inspection of occupational health and safety by the OKI Group

the factory tried to establish a system to manage product quality, environmental efforts, and occupational health and safety. In June 2006, two months after its opening, the factory obtained a management system certification for quality and environmental protection. It then obtained OHSAS18001 Certification for occupational health and safety management in October of the same year.

Since people have different ethnic and cultural backgrounds in China, the establishment of a management system based on these widely accepted standards is very effective. The factory has helped its employees improve their motivation and morale through various training and education programs.

Enhancing Management as a Member of the OKI Group

In the fiscal year ended March 2008, the efficiency of the factory's management system greatly improved because it became one of the facilities subject to the OKI Group's ISO14001 Consolidated Certification. Furthermore, the factory has started enhancing its

The factory obtained ISO14001 Consolidated Certification

efforts for work ethics since its adoption of the OKI Group Code of Conduct. It has held in-house study sessions on SA8000, a global standard to improve human rights in workplaces. More than 30 employees have already become qualified internal auditors.

The factory now plans to compile a comprehensive manual for the management of product quality, environmental efforts, occupational health and safety, and work ethics. It will continue to steadily fulfill its responsibilities to customers, local communities and its employees through the enhancement of safety and security as well as the improvement of product quality and productivity.

Employee Perspective

Guo Xiao Fei
Factory Assistant Manager
Dong Guan Tang Xia
OKI Micro Engineering Factory

We fully recognize that we are responsible for delivering quality products to our customers and ensuring good working conditions for our employees based on the OKI Group's corporate philosophy emphasizing its determination to "meet the diversified needs of communities worldwide." Thus, we have established various systems since the opening of the factory. We have also launched a campaign at the beginning of 2008 to improve the quality of life. The purpose of this campaign is to encourage our employees to improve productivity by cutting overtime hours and reducing waste. We also plan to introduce some new systems to help our employees enrich their personal life. We hope the campaign will help improve their motivation and satisfaction.

Corporate Governance

One of the most important managerial priorities for the OKI Group is to continuously improve its corporate value and thus repay its stakeholders for their trust. For this purpose, the group has been active in strengthening corporate governance through the "improvement of management fairness and transparency" and the "acceleration of decision-making processes."
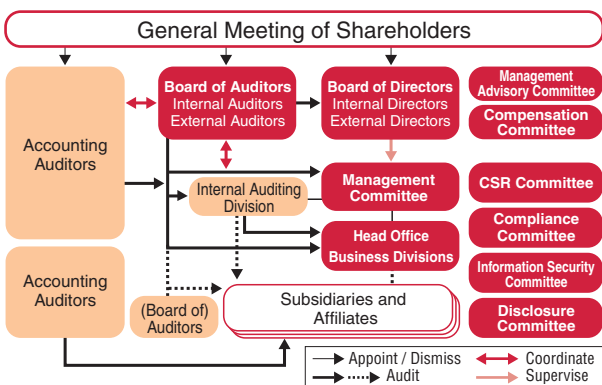
Corporate Governance Structure

Since OKI has adopted the auditor system under Japanese law, its operations are supervised and audited by the Board of Directors and Board of Auditors. In addition, in order to improve managerial efficiency, management and execution are separated by introducing an executive officer system.

The Board of Directors is comprised of 10 directors, including one external board member, and generally meets once a month. The board supervises business execution, and makes decisions on basic policies for business management and other important issues. The Management Committee, which normally meets weekly, makes decisions on important matters of the group's business operations, and reviews reports from different business units about their operations. The participants of such a meeting include corporate officials at the executive office level and above as well as the corporate auditors.

The Board of Auditors consists of two external auditors (including a standing auditor) and two other standing auditors. They audit the activities of the company's directors by attending important meetings, including meetings of the Board of Directors, verifying reports submitted by directors and other officers, and monitoring corporate administration and finances. The Internal Auditing Division is comprised of five members, including certified internal auditors. The purpose of the division is to accurately asses the company's business operations through internal audits, uncover or prevent operational mistakes or improprieties, and streamline and improve business processes.

» *Corporate Governance Structure*

Committees

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

The Management Advisory Committee is an advisory organization for top executives. With the participation of influential individuals inside and outside the company, the committee is designed to ensure managerial transparency and soundness.

The purpose of the Compensation Committee is to maintain the transparency of the compensation standards and systems for directors, executive officers and management officials.

The Compliance Committee is a cross-functional organization to discuss basic policies for compliance. The committee is headed by Chief Compliance Officer (CCO). The purpose of the Disclosure Committee is to ensure accurate and timely disclosures of information to various stakeholders.

OKI established two new committees during the fiscal year ended March 2008. One is the CSR Committee that discusses basic policies for the group's CSR-related activities. The other is the Information Security Committee to promote the implementation of information security measures.

Establishing Internal Control Systems

In May 2006, OKI's Board of Directors adopted and publicly announced the "Basic Policy for the Establishment of an Internal Control System." The OKI Group has strengthened its corporate governance by building and improving systems to ensure the properness of its business activities in accordance with this policy.

Basic Policy for the Establishment of an Internal Control System
http://www.oki.com/jp/ir/governance/policy.html

Promoting CSR at the OKI Group

"The people of OKI, true to the company's enterprising sprit, 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 corporate philosophy, OKI actively conducts a variety of activities to fulfill its corporate social responsibilities, which include not only complying with all applicable laws and regulations but also implementing sound business activities consistent with social norms.

CSR Promotion Division and CSR Committee

The OKI Group established the CSR Promotion Division, an organization dedicated to the fulfillment of its corporate responsibilities, in October 2004. At the same time, the group defined six priority themes to be pursued in cooperation with all relevant business units.

In October 2005, the group established the OKI Group Charter of Corporate Conduct based on these priority themes. The charter describes the social responsibilities the OKI Group has to fulfill based on its corporate philosophy.

In order to further pursue its CSR initiatives, the group consolidated the existing CSR Promotion Division and the Compliance and Business Ethics Division to create the new CSR Promotion Division in April 2007. It was followed by the establishment of the CSR Committee in June. During its first meeting, the members of the committee decided to further promote compliance, and defined full compliance with laws and regulations as the basis of all CSR-related activities, and we have positioned this as the foundation of our CSR activities overall. and added a new priority theme, "information security."

OKI Group Code of Conduct

In August 30, 2007, OKI's Board of Directors decided on establishing the OKI Group Code of Conduct, a code of conduct with which all executives and employees of the member companies of the OKI Group must comply. Based on the OKI Code of Conduct enacted in 2002, the OKI Group Code of Conduct also specifies the social responsibilities required in the global business environment. It was written using globally-accepted terms and expressions so that all employees of the OKI Group, including those working at its overseas subsidiaries, can easily understand.

Since the code of conduct is useful as the basis of internal control, the boards of directors of 120 group companies decided the adoption thereof at their meetings by March 2008.

In order to disseminate this code of conduct throughout the group, we published a booklet featuring the full text of the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct with explanatory notes in four languages (Japanese, English, Chinese and Thai). Copies of the booklet were distributed to all group companies when their board meetings were held. In order to help Japanese employees comply with each item of the code of conduct in their day-to-day work, OKI posted specific actions to be taken according to Japanese law on its intranet.

The OKI Group will continue to carry out business activities in good faith, strengthen the relationships with its stakeholders, and fulfill its corporate social responsibilities and thus improve its corporate value.

Booklet featuring the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct (Japanese version)

≫ *CSR Priority Themes and Focal Points for the fiscal year ended March 2008*

CSR Priority Themes	Pages	Focal Points for the fiscal year ended March 2008
Full Compliance with Laws and Regulations	20 ~ 21	• Continue to steadily promote risk management • Review assessment and enhance monitoring of each risk
Information Security	22 ~ 23	• Establish information security as a new CSR priority and strengthen related measures • Enhance group-level management through the establishment of the Information Security Committee
Improvement of Customer Satisfaction	24 ~ 25	• Establish quality incident response rules at each group company • Promote initiatives to more fully inform customers of our quality assurance and product safety activities • Expand application of universal design techniques
Good Communication with Shareholders and Investors	26	• Enhance IR events for Japanese institutional investors (business seminars, factory tours, etc.)
Respect for Employees	27 ~ 29	• Recruitment and training of diverse human resources • Create an environment for supporting the development of the next generation • Strengthen safety training at production sites • Extend mental heath initiatives to group companies
Consideration for the Environment	30 ~ 31	• Reliable conformance with environmental regulations for products on a global scale • Reduction of greenhouse gases through energy conservation in business activities and other measures • Reduction of greenhouse gasses through less power consumption by our products • Expansion of the scope of consolidated environmental ISO certification to overseas manufacturing sites
Social Contribution	32 ~ 34	• Reaffirm distinctively OKI social contribution and extend that awareness to the group • Reinforce communication to employees related to volunteer activities

Full Compliance with Laws and Regulations

In addition to complying with all related laws and regulations, the OKI Group will implement sound corporate activities consistent with social norms.

Ensuring Full Compliance

Establishment of Compliance Systems

In the fiscal year ended March 2005, OKI established the company-wide Compliance Committee to deliberate on basic compliance-related policies and the Compliance and Business Ethics Division to plan, formulate and promote compliance-related initiatives. Under the Chief Compliance Office, the entire group has worked to strengthen compliance. We have also established consultation and reporting channels and whistleblower regulations, which enable us to discover and rectify improper activities at an early stage.

To further promote these measures, Compliance Managers have been assigned to each business unit, and every group company has named a Compliance Officer. We are currently working to enhance training and promote integrated, systematic, company-wide risk management, believing these two are the twin pillars of OKI's compliance promotion efforts.

Strengthening Compliance Education

In order to disseminate compliance-related measure across the company, OKI conducts training sessions for Compliance Managers twice a year at seven sites in Japan. In addition, it runs an e-learning program for all employees to facilitate and confirm the fulfillment of the measure. In the second half of the fiscal year ended March 2008, OKI's efforts for compliance education centered on the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct (enacted in August 2007). Participation in the training session for Compliance Managers was 93%, and the same of the e-learning program was 98%. OKI also reviewed its e-learning system and rolled out the program to about 70 group companies in Japan.
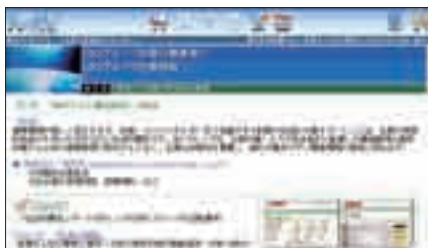
Screen shot of the e-learning program on the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct

Steady Promotion of Risk Management

Enhancing Risk Management Based on Risk Management Regulations

OKI established Risk Management Regulations in December 2004 in order to prevent risks arising from its corporate activities and ensure that they are handled properly if any. We are currently enhancing our risk management activities on the basis of these regulations.

The regulations identify potential risks and set basic rules concerning divisional responsibilities and countermeasures. They also stipulate detailed rules concerning the establishment of emergency communication systems and an emergency response headquarters in the event a major risk materializes.

» System for Promoting Risk Management

Internal Auditing Division	CEO
	Chief Compliance Officer Compliance Committee
	Risk Management Promotion Office (Compliance and Business Ethics Division)

Corporate Divisions	Group Companies
Division Managers	Compliance Officers
Risk Managers	Risk Managers

Reviewing Compliance Risk Evaluation and Enhancing Monitoring System

As OKI regards compliance risks* as the most important category of risks, it has promoted the management thereof based on our Risk Management Regulations since the fiscal year ended March 2006. More specifically, each business unit of the company has registered potential risks related to its operations with the Risk Management Promotion Office, which monitors twice a year the implementation of preventive measures, whether any risks have materialized and take corrective measures.

In the fiscal year ended March 2008, each business unit reviewed its registered risks based on the audit conducted in the previous year and reexamined how its measures had been implemented. As a result, the scope of risk management to be handled by each business unit was expanded. Each business unit also enhanced its monitoring system by introducing methods such as interviews and spot investigations to deal with different types of risks.

* A compliance risk is a risk associated with violation of laws, regulations and in-house rules.

- Continue to steadily promote risk management
- Review assessment and enhance monitoring of each risk

- **Expanded the scope of participation in the e-learning program on compliance**
- **Increased the number of group companies subject to risk management**
- **Enhanced monitoring based on the results of assessments**

- Steady promotion and improvement of the risk management system
- Enhancement of compliance education for the group

Emergency / Disaster Response

The OKI Group has established Safety Countermeasures Committees and emergency communication networks at its domestic and overseas sites and group companies. In the event of a disaster, countermeasures are enacted that make it possible to protect people's lives, prevent secondary accidents, contribute to local communities and foster good relationships with them, and ensure the continuity of business operations. As for the continuity of business operations, the OKI Group has started to study BCM and BCP (Business Continuity Management and Plan) since the fiscal year ended March 2008. The group will make further efforts for this issue in the future.

Fair Trade and Purchasing

Fair Business and Purchasing Practices

In order to ensure fair business activities in good faith, the OKI Group clearly states, as part of the actions to be taken specified in its Code of Conduct according to Japanese laws, that it observes antitrust laws, and is objective and free from bribery to civil servants and quasi-civil servants. Furthermore, in order to avoid offering and taking bribery to and from all stakeholders including civil servants, the code of conduct also prohibits any gift or entertainment that exceeds normal business customs (such as the offering and receipt of a monetary reward and a special service). The group has helped its employees fully understand the significance of fair business activities by posting its code of conducts on its intranet and offering them training programs.

In addition, in order to ensure the appropriateness of purchasing activities, a purchasing law workshop is held twice a year that features training and information sharing on related laws and regulations as well as the OKI Group's compliance initiatives.

Purchasing law workshop

Strict Control of Export Practices

OKI, from the viewpoint of serving world peace and preventing the proliferation of weapons of mass destruction, has made various efforts to abide by all applicable laws and regulations about security export control. Among them is the establishment of the Rules for Compliance with Export-Related Laws and Regulations. More specifically, the company's Export Review Section and Export Review Committee carefully examine all export-related business transactions. OKI's such efforts

Keizo Hamada, Director General of the Tokyo Customs, giving a certificate to OKI's Managing Director Fukumura

for compliance and security control have been highly regarded. In December 2007, OKI was certified as an authorized exporter in accordance with the Authorized Exporters' Program by Tokyo Customs. In March 2008, OKI Data Corporation also obtained the same certification.

From Green Procurement to CSR Procurement

Believing that cooperation from its partners in the supply chain is indispensable for the fulfillment of its corporate social responsibilities, OKI has promoted green procurement based on the Green Procurement Standard established in 2002. We also added to our Purchasing Policy with a view to promoting CSR-oriented procurement practices and created the OKI Group Procurement Policy, which was announced in June 2006. The new policy includes stipulations on compliance with the laws and social norms, considerations for environmental protection, and proper management and protection of information. In order to disseminate the policy across the group, training programs have been offered to employees involved in purchasing.

While following the global trend in CSR-oriented procurement, we have come to realize a need for defining detailed requirements for our suppliers. As a result, we started to consider setting a code of conduct for suppliers in the fiscal year ended March 2008. We will further promote environmentally-friendly procurement in cooperation with our suppliers.

The OKI Group Procurement Policy
http://www.oki.com/en/profile/procure/

Full Compliance with Laws and Regulations
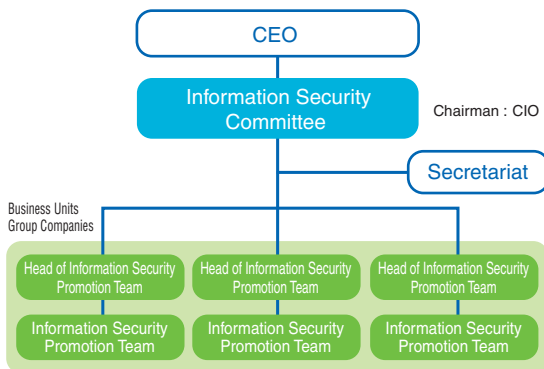
Information Security

The OKI Group recognizes the importance of information security, and properly manages and protects company and customer information, including personal information.

Strengthening Information Security

System for Promoting Information Security

The OKI Group has established a system to ensure information security under the leadership of the Information Security Committee. The committee meets twice a year and makes company-wide decisions and policies about information security. It also reviews all activities related to information security (once a half year) and examines the results of information security audits (once a year). Furthermore, each business unit or group company has a information security promotion team that is responsible for addressing the measures decided by the Information Security Committee.

》 *System for Promoting Information Security*

```
                    CEO
                     |
          Information Security      Chairman : CIO
              Committee
                     |_____
                     |               |
                                Secretariat
Business Units
Group Companies
  _____
 | Head of Information  Head of Information  Head of Information |
 | Security Promotion   Security Promotion   Security Promotion  |
 |      Team                 Team                 Team           |
 |                                                               |
 | Information Security  Information Security  Information Security|
 |  Promotion Team        Promotion Team        Promotion Team   |
  _____
```

In the fiscal year ended March 2008, the OKI Group implemented some group-wide measures to prevent information leak, decided some group-wide policies and plans for information security, and reviewed its security-related activities.

Establishment and Implementation of Measures for the Entire Group

The OKI Group has examined customer information and data to be processed within the group, defined the types of information to be treated as confidential, established proper processes to acquire, generate and discard such information, and eliminated information leakage paths. The group also established and revised regulations, administrative instructions, and guidelines related to information security.

》 *Establishment of Regulations and Rules Related to Information Security*

Regulations for Managing Customer Assets	Regulations for Managing Trade Secrets	Basic Regulations for Protecting Personal Information	Regulation for Managing Electronic Information
Administrative instructions		Administrative instructions	Administrative instructions
Guidelines	Guidelines		Guidelines
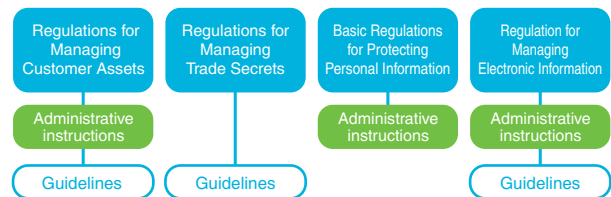
Following a series of briefing sessions on these measures for information security, each business unit or member company of the OKI Group has already implemented them. The group has also opened the "information security portal" on its intranet through which employees can access information on the activities of the Information Security Committee, the group's security-related measures, and how these measure have been implemented at each business unit or member company. Through these measures and training programs described in the following section, the group intends to promote the sharing of security-related information, and improve the security awareness of all employees.

Information Security Education

As part of its systems for information protection (see Page 14), the OKI group conducts information security education for all employees who use the information infrastructures belonging to the group.

Each and every individual is asked to thoroughly protect information assets received from customers and highly confidential information assets belonging to OKI. For this reason, we widely communicate basic regulations and rules regarding the use of our information networks, desktop computers and mobile computers by conduction group training sessions and e-learning programs.

General Checkup Across the Group and Audits by Internal Auditing Division

The OKI Group conducts a general checkup of the personal computers belonging to all employees every October. In the fiscal year ended March 2008, every employee was asked, concurrently with the checkup, about how he or she had addressed the information security measures.

In addition, the group's Internal Auditing Division conducted a security audit in December 2007 in order to check how the information security measures had been implemented across the group and find the things to be improved.

Focal Points for the Fiscal Year Ended March 2008 ➜	Main Initiatives in the Fiscal Year Ended March 2008 ➜	Focal Points for the Fiscal Year Ending March 2009
● Establish information security as a new CSR priority and strengthen related measures ● Enhance group-level management through the establishment of the Information Security Committee	● **Established the Information Security Committee and information security measures to be implemented across the group** ● **Established a system to promote information security at each business unit or member company** ● **Conducted a general checkup and an information security audit across the group**	● Further promote information security by rolling out security measures to procurement departments and suppliers ● Monitor how the information security measures have been implemented and established

Acquiring ISMS Certification

The OKI Group is working to acquire the information security management system (ISMS*) certification for divisions involved in building and operating internal information systems and for divisions engaged in general system design development, in order to improve the reliability of network solution construction and related services.

As of June 2008, the business units / group companies listed in the following table had acquired the ISMS certification. All of them have completed the switchover to ISO 27001.

》 Business Units / Group Companies That Have Acquired the ISMS Certification

| Name of Business Unit / Group Company	Initial Registration Date
Japan Business Operations Co., Ltd. (Operation Div. Quality Control Dept.)	January 30, 2004
Oki Consulting Solutions Co., Ltd.	September 20, 2006
Oki Software Co., Ltd.	December 21, 2007
Oki Telecommunication Systems Co., Ltd.	July 1, 2005
Oki Customer Adtech Co., Ltd. (Customer Support Cener, Western Japan Basic Support Team)	January 31, 2004
Oki Electric Industry Co., Ltd. (OKI System Center)	August 4, 2003
Oki Electric Industry Co., Ltd. (System Solutions Company, Shibaura site)	December 27, 2004
Oki Electric Industry Co., Ltd. (Information Planning Division)	February 14, 2003
Oki Network Integration Co., Ltd.	September 14, 2006

* ISMS stands for Information Security Management System.

Enhancing the Protection of Personal Information

System for Protecting Personal Information

The OKI Group has enhanced the protection of personal information based on the Privacy Policy enacted in August 2004. We have committed to the protection of personal information on an organizational basis under the leadership of Chief Compliance Officer. Privacy managers have been appointed at the corporate level and in business groups and group companies. We have also established privacy regulations and other related rules that flesh out the provisions of the Privacy Policy

》 System for Protecting Personal Information

○ : Privacy managers
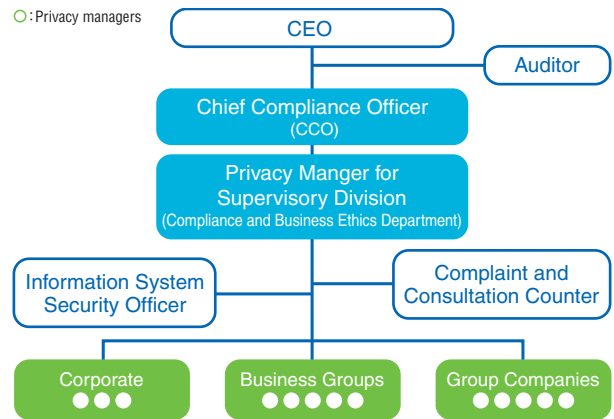
OKI Group Privacy Policy
http://www.oki.com/en/privacy/

PrivacyMark Certification

Oki Electric Industry Co., Ltd. was granted PrivacyMark certification by the Japan Information Processing Development Corporation (JIPDEC) on April 3, 2007.

In acquiring this certification, we reviewed our existing efforts for protecting personal information, formulated new rules and enhanced its internal auditing system. Furthermore, we offered training programs to raise information security awareness of all employees, and made some efforts to disseminate the rules. We also created a data base of all personal information owned by us, strengthened the rules for storing such information, and introduce a room access system to all business sites to prevent unauthorized access to stored information.

As of June 2008, seven companies of the OKI Group have acquired PrivacyMark certification.

》 Companies that have acquired PrivacyMark Certification

Oki Human Network Co., Ltd.
Oki Software Co., Ltd.
Oki Alpha Create Co., Ltd.
Oki Wintech Co., Ltd.
Oki Electric Industry Co., Ltd.
Oki Communication Systems Co., Ltd.
Japan Business Operations Co., Ltd.

Information Security

Improvement of Customer Satisfaction

The OKI Group is dedicated to the development and supply of products and services that will ensure continued customer satisfaction, with proper emphasis on safety and ease of use.

Reinforcement of Quality Management Systems

Establishment of Company-wide Quality Improvement Program

OKI has implemented a company-wide quality improvement program since 2005 in order to promote customer-oriented quality assurance activities in close cooperation between the company's R&D division and group companies responsible for maintenance and support. Under the program, we have established key quality performance indicators[1] (KPIs) for issues deemed important to customers, and made corrective measures for improvement.

Although overall quality performance has been improved through our efforts for the program, we have not yet achieved our goals in terms of TAT[2], the time taken to complete a whole process of receiving a complaint from a customer, analyzing the cause of the complaint, and making an appropriate response to the customer. In the fiscal year ended March 2008, we focused on the improvement of TAT as one of our important agendas, analyzed the whole process from the customer's notification to the response, set a TAT target for each subprocess, and made necessary corrective measures. As a result, we were able to get closer to target level. We will continue to make every effort until we always meet our targets for quality performance.

[1] A KPI, a Key Performance Indicator, is an indicator to evaluate a factor to be focused for a certain goal.
[2] TAT stands for turnaround time, the time taken to complete a certain task.

Strengthening Interactions Within the Group About Product Safety Risks

Establishing the Group's Cooperative Framework for Responding to Product Accidents
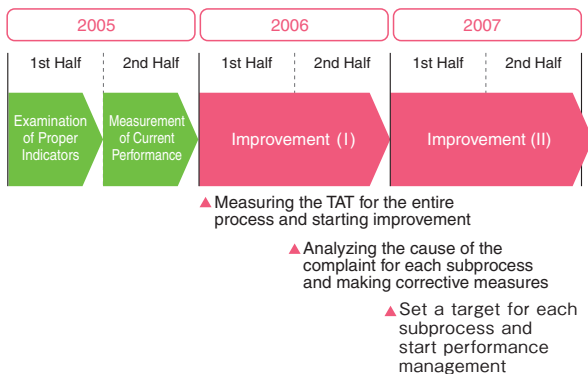
OKI established a set of rules for coping with accidents arising from product deficiency in the fiscal year ended March 2007. These rules specify necessary procedures for actions to be taken in case of such accident,including the establishment of a task force, the adoption of a remedial measure, the notification of the accident to the market and society, the implementation of a recall, and the development of a preventive measure.

In the fiscal year ended March 2008, OKI established a cooperative framework for the group within which different companies can work together efficiently by rolling out these rules to the other group companies and coordinating them with the rules established by each company to cope with similar accidents.

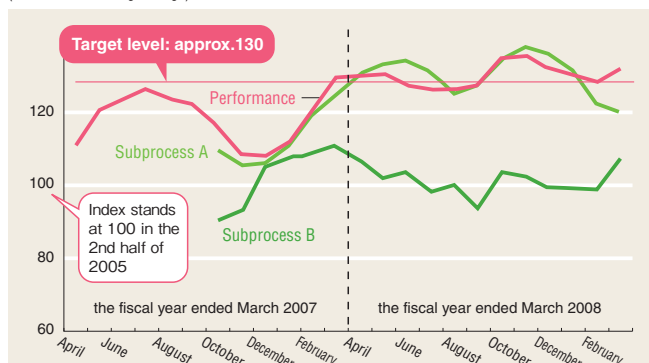### Product Safety and Technology Compliance Initiatives

In order to improve the safety of its products, the OKI Group has been active in ensuring the full compliance with the four safety technology laws* under the leadership of the Product Safety and Technology Committee. The group has improved communication among corporate divisions, in-house companies and group companies so that each issue can be properly addressed in order to ensure compliance with laws, regulations and certification requirements at all areas of business operation

» Efforts for the Company-wide Quality Improvement Program

2005		2006		2007	
1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half
Examination of Proper Indicators	Measurement of Current Performance	Improvement (I)		Improvement (II)	

▲ Measuring the TAT for the entire process and starting improvement

▲ Analyzing the cause of the complaint for each subprocess and making corrective measures

▲ Set a target for each subprocess and start performance management

» Changes in time taken to make a response to a customer

〈Performance between 2006 and 2007. The index stands at 100 in the 2nd half of 2005. (three-month moving average)〉

Target level: approx.130

Performance

Subprocess A

Index stands at 100 in the 2nd half of 2005

Subprocess B

the fiscal year ended March 2007　　the fiscal year ended March 2008

Focal Points for the Fiscal Year Ended March 2008 →

- Establish quality incident response rules at each group company
- Promote initiatives to more fully inform customers of our quality assurance and product safety activities
- Expand application of universal design techniques

Main Initiatives in the Fiscal Year Ended March 2008 →

- **Established the group's cooperative framework for responding to product accidents**
- **Improved customer/market interfaces using guidelines for consumer products as a reference**
- **Developed Workwel Communicator and other systems**

Focal Points for the Fiscal Year Ending March 2009

- Facilitate information sharing within the group for preventing product accidents
- Review quality education based on changes in demand
- Expand application of universal design technique

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including design, manufacturing, procurement, sales and maintenance services. In order to sustain these measures over time, the results of corrective measures and the challenges to be addressed are shared by the Product Safety and Technology Committee for equalization.

Compliance seminar on the four laws for employees

In the fiscal year ended March 2008, OKI requested the understanding and cooperation of its business partners with respect to compliance with the four safety technology laws. We exchanged memorandums with approximately 20 business partners about their compliance with the laws by the end of 2007.

* The four safety technology laws consist of major legal requirements and voluntary regulations pertaining to the safety of information technology equipment in Japan. More specifically, they are the Electrical Appliance and Material Safety Law, the Telecommunications Business Laws, the Radio Law, and the Regulations of the Voluntary Control Council for Interference by Information Technology Equipment (VCCI).

Promoting Initiatives to Inform Customers of OKI's Quality Assurance and Product Safety Activities

Improving customer/market Interfaces Using Guidelines for Consumer Products as a Reference

In the fiscal year ended March 2008, the Ministry of Economy, Trade and Industry issued the Guidelines for the Formulation of Voluntary Product Safety Action Plans for manufacturers of consumer products[*1]. Although the majority of our products are not defined as consumer products and are designed for specific customers such as governmental agencies and business customers, we have used the guidelines in order to improve our product safety efforts. As part of such efforts, we opened a contact point about product safety and quality deficiency on our web site in August 2007. Although we have received no notification about product accidents[*2] as of July 2008, there have been a number of inquiries about product usage and the availability of particular parts. In this sense, the contact point is very useful to understand potential customer needs. We will continue to utilize it as a means of communication with customers.

We also plan to establish a voluntary product safety action plan for our non-consumer products based on the same guidelines, disclose such plan to inform customers of our quality assurance and product safety efforts.

[*1] A consumer product is a product purchased and/or used by consumers.
[*2] A product accident is defined as any accident that may cause a damage to consumers or their properties.

Initiatives to Improve Customer Satisfaction (CS)

### Continuously Conducting CS Surveys on Our Products and Activities

In order to reflect opinions from customers and potential customer needs in its products and activities, the OKI Group has conducted customer satisfaction surveys.

In the fiscal year ended March 2007, we conducted a satisfaction survey of customers in the financial industry about ATM-BankIT, an ATM (automated teller machine) launched in the same year. It was followed by a customer satisfaction survey about different areas of activities of the OKI Group including sales, proposals, development and maintenance, introduced in the fiscal year ended March 2008. More specifically, the respondents of this survey, representatives from the administrative or system divisions of approximately 60 customers, are asked to answer various questions in six categories on a scale of one to ten. We have also asked them to write their opinions and comments as they like.

The results of the survey have been disclosed to all respondents with our explanation. If we obtain any opinions from customers at this stage, we feed them back to the OKI Group. Based on the results of the survey and feedbacks from customers, we understand our weakness and examine what to be done in the future by each business unit. If there are any problems to be shared across the group,we hold briefing sessions at relevant business units of the group on such problems and solutions thereto.

The OKI will continue to conduct this survey, utilize the results thereof as useful indicators, and thus further improve customer satisfaction.

≫ *A valuation analysis of the results of OKI's CS survey*
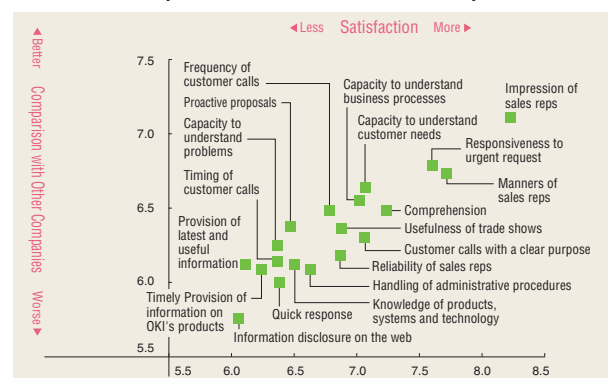
Good Communication with Shareholders and Investors

OKI recognizes the importance of communication and is committed to the fair and timely disclosure of corporate information.

Focal Points for the Fiscal Year Ended March 2008 →

- ● Enhance IR events for Japanese institutional investors (business seminars, factory tours, etc.)

Main Initiatives in the Fiscal Year Ended March 2008 →

- ● Increased the number of tours
- ● Held business seminars on telecommunication, printers and etc.

Focal Points for the Fiscal Year Ending March 2009

- ● Promote information provision to institutional investors

OKI Group Investor Relations Activities

The Oki Group appropriately discloses useful information to shareholders and investors in a timely manner, including corporate information, management strategies and operating results. The purposes of our IR activities is to improve management transparency, help build trust with our shareholders, and thus improve our corporate value. IR Unit of Business Management and Promotion Division is responsible for these activities.

The OKI Group recognizes that the appropriate utilization of the views of the market in management practices and business activities serves to further increase operating efficiency and raise corporate value. Based on this recognition, CEO and the other members of the management team conduct investor briefings, hold IR meetings and engage in various other communication activities. We will further promote the disclosure of information in a responsive, and appropriate manner while complying with the Company Law, the Financial Instruments and Exchange Law and the amended disclosure rules of the Tokyo Stock Exchange.

Investor Briefings and IR Meetings

OKI has held quarterly results announcements since the first quarter of the fiscal year ended March 2004. At briefings for institutional investors, which are held in conjunction with results announcements, CEO and the other members of the management team discuss not only financial information but also the company's vision and management strategies.

Investor briefing (October, 2007)

Apart from results announcements, we also proactively hold individual IR meetings with institutional investors in Japan and overseas, where we go over a broad range of topics, including management and business strategies, and individual products and technologies. We also organize tours of our business facilities for them. In fiscal 2007, we held 108 IR meetings for Japanese investors, organized 13 tours of our business facilities, and held various seminars on telecommunication and printers. IR meetings are also held overseas by our top executives.

Communication Via IR Website and e-mail Newsletters

OKI has an IR Website where a range of investor relations information, including financial data, is posted simultaneously in English and Japanese in order to maintain fairness in information disclosure. We also send e-mail newsletters to over 2,800 people, including our institutional investors and people who have signed up on our website. The e-mail newsletter include the latest financial results, information on filings to securities exchanges, press releases on topics such as new products and services, and information on updates to our IR Website.

As a result of these efforts, our IR site received the Excellence in Internet IR Award from Daiwa Investor Relations for the seventh consecutive year (in the fiscal year ended March 2008).

Strict Prevention of Insider Trading

In addition to appropriate and timely disclosure of information to shareholders and investors, the OKI Group has also made every effort to prevent insider trading in order to protect shareholders and investors and help ensure the integrity of securities markets. The OKI Group Code of Conduct clearly specifies the prohibition of stock trading using insider information or the provision of such information to any third party. We also offer our employees training programs on insider trading as part of our risk management.

Respect for Employees

OKI respects the diversity of its employees, provides and maintains safe, comfortable working environments for them, and is committed to creating a corporate culture that encourages them to take on new challenges.

Focal Points for the Fiscal Year Ended March 2008
- Recruitment and training of diverse human resources
- Create an environment for supporting the development of the next generation
- Strengthen safety training at production sites
- Extend mental health initiatives to group companies

Main Initiatives in the Fiscal Year Ended March 2008
- **Conducted training focusing on business globalization**
- **Adopted telework on a trial basis**
- **Distributed a booklet that helps support the development of the next generation**
- **Enhanced safety inspections at manufacturing sites**
- **Introduced a stress management tool to group comapnies**

Focal Points for the Fiscal Year Ending March 2009
- Recruitment and training of diverse human resources
- Dissemination and monitoring of supports for the development of the next generation
- Promotion of work-life balance
- Promotion of the mental and physical health of employees

Basic Policy on Human Rights and Resources

The business activities of the OKI Groups are based on cooperation among diverse individuals with different roles who work together to contribute to the improvement of corporate profitability and the development of society. Believing that respect for human rights must underlie all business activities, the OKI Group has a strong commitment to pursuing fair recruitment and building working environments in which diverse people can fully exercise their abilities.

In April 2008, OKI articulated its vision for the development of human resources: "Pride, Passion and Sincerity." The vision asks all employees of OKI to:
- Take pride in themselves, their colleagues and the company,
- Take actions with passion, and
- Do any job with sincerity.

The company also puts great importance on the promotion of mental and physical health of its employees as an important managerial issue.

Good Labor-Management Relationship Through Dialogue

OKI respects the freedom of association and collective bargaining based on the laws in each country and region, and puts great importance on building trust between employees and management. In Japan, the company is active in holding general and divisional labor-management meetings to exchange opinions and information with its employees. The former meetings are attended by top executives.

Recruitment and Training of Diverse Human Resources

Promoting the Employment of People with Disabilities

The OKI Group has promoted the recruitment of developmentally disabled people as teleworking employees since 1998. Based on this experience, we established a special purpose subsidiary called OKI Workwel in April 2004. As of April 2008, OKI Workwel employs 44 people with physical, intellectual, visual or internal disabilities. They include 32 teleworking employees who are engaged in designing and producing posters, accessible websites, and so on. (See Page 11)

The OKI Group will continue to promote the employment of people with disabilities through OKI Workwel.

> Percentage of employees with disabilities at the OKI Group (the fiscal year ended March 2008) : 1.81%

Internship Events

OKI has carried out a one-day internship program for undergraduate and graduate students since 2005. The purpose of the program is to help students understand how OKI's products are being used in society and make them feel interested in working in the info-telecom industry.

The internship program in 2007 featured a tour of the OKI Premium Fair held in November, and an attendance in the OKI Endowed Course in Ubiquitous Services at the University of Tokyo. (See Page 9) The program allowed the participating students to experience OKI's products and solutions, and understand how they could contribute to the realization of an e-Society full of ubiquitous services. The program also included a discussion session with several employees of OKI who told the students how fun to work at OKI.

OKI Premium Fair

OKI respects the diversity of its employees, provides and maintains safe, comfortable working environments for them, and is committed to creating a corporate culture that encourages them to take on new challenges.

Career Design Support Initiatives

OKI's career design program focuses on the establishment of partnerships between management and employees as well as the development of strong, autonomous human resources. More specifically, the program includes an annual interview session in which employees discuss their career vision and plan with their superiors as well as a career design training session for employees who have reached important milestones in which they deepen their understanding of themselves through self-analysis. The career counseling system established in 2006 also helps employees develop their careers through counseling on career building in general.

Enhancing training focusing on business globalization

The OKI Group has developed different training curriculums for different job functions through which employees can learn basic knowledge about their jobs, latest methods and theories, and so on in a phased, systematic manner. Approximately 200 compulsory or designated courses as well as over 450 elective courses are offered every year.

In the fiscal year ended March 2007, we introduced a designated training program for employees likely to be directly involved in global operations in the future. The curriculum of the program includes not only language lessons but also courses on foreign cultures, diversity and business communication skills. In the fiscal year ended March 2008, new courses about doing business in China were added to the program.

Efforts for Revitalizing Employees

Each company of the OKI Group has made various efforts, other than training programs, to revitalize its employees.

OKI Engineering Co., Ltd. organized a cross-functional team in 2005. Comprised of members selected from different functional divisions, the purpose of the team is to revitalize their workplaces through the examination of the company's business challenges. The team has met on a regular basis to discuss the business challenges. This regular meeting is attended by top executives every time. The team members have extracted cross-organizational problems, and actively exchanged opinions with people from different functional divisions and at different hierarchical levels for two and a half years. These activities have allowed each team member to build up and expand a network of connections, and enabled other employees to address the challenges from a company-wide perspective. The activities of the team have also made employees in each functional division more interested in the problems, encouraged them to organize proactive activities to solve them, improved their motivation, made the existing business processes more efficient, and facilitated cooperation across different functional divisions.

Efforts for the Development of the Next Generation

Creating an Environment That Helps Develop the Next Generation

In compliance with the Law for Measures to Support the Development of the Next Generation enacted in April 2005, OKI formulated a two-year action plan to be implemented in 2007. The purpose of the plan is to help its employees balance work and child rearing.

Believing that the creation of a supportive environment was indispensable for the implementation of the plan, OKI compiled a booklet titled "Balancing Work and Family Life" in July 2007. Featuring a message from the top executives, this booklet describes the plan in an easy-to-understand way. Copies of the booklet were distributed to all employees. In order to encourage male employees

Booklet titled "Balancing Work and Family Life" for employees

to participate in child rearing, OKI has applied for the Program to Promote the Involvement of Male Workers in Child Rearing organized by the Japan Institute of Workers' Evolution. As a result, OKI was certified as a firm that promotes the participation of male employees in child rearing by the Tokyo Office of the Institution.

Introducing Programs for Promoting Work-Life Balance

In order to help its employees balance work and family life, OKI has offered various supporting programs and systems about childbirth, child rearing and nursing care. OKI has also allowed flexible working hours for people having young children or family members requiring nursing care. OKI's employees are allowed to take leaves for childbirth, child rearing, nursing care or other purposes that are longer than those stipulated by law. In case of "Special Leave for a Particular Purpose," employees are allowed to take a leave of absence up to 50 days for medical care for themselves or nursing care for their families, and up to 30 days for other purposes including social action programs, education and school events. While other companies of the OKI Group have also introduced similar programs and systems, an increasing number of male employees are taking advantage of this system for child rearing.

Descriptions of programs and systems to promote work-Life balance
http://www.oki.com/en/csr/csract/emply/nextgnrt.html

Promotion of Diverse Work Styles

Adoption of Telework on a Trial Basis

Oki launched a project to adopt telework on a trial basis at OKI System Center in Warabi, Saitama in December 2007. The purpose of this trial adoption was to test the effectiveness of telework in terms of the promotion of work-life balance and the improvement of operational efficiency. Sixteen employees were selected for this project. They were deemed suitable for telework due to their need for child rearing or nursing care, or because of the types of their work. They worked at home once a week for a period of six months.

The results of the project are currently being examined and evaluated by the persons tested, Human Resources and General Affairs Division, and the labor union from different perspectives. In the fiscal year ending March 2009, OKI will examine the possibilities of adopting telework officially based on their evaluations.

Initiatives for Occupational Health and Safety

Initiatives by Safety and Health Committees

OKI has set up a Safety and Health Committee in each district. Comprised of representatives from the company and the union, the committee establishes and enhances systems for occupational health and safety in accordance with the working conditions in the district, formulates plans to prevent industrial accidents, patrols workplaces, offers educational programs on occupational health and safety. In order to raise awareness of safety and health across the company, representatives of local Safety and Health Committees meet at the Central Safety and Health Committee, and share the results of their activities and efforts.

OKI's industrial accident frequency rate[1] and severity rate[2] in the fiscal year ended March 2008 were both 0.00.

[1] Industrial accident frequency rate: Fatalities and injuries caused by industrial accidents / Total hours worked x 1,000,000
[2] Industrial accident severity rate: Working days lost / Total hours worked x 1,000

Promotion of Safety Education at Manufacturing Sites

In order to improve safety management at its manufacturing sites, the OKI Group conducts a safety inspection every year in which a team of inspectors from the headquarters check the safety management of each manufacturing site in terms of "occupational health and safety," "disaster prevention" and "environmental protection" based on a set of standards shared across the group. Inspectors not only point out things to be improved but also offer information on outstanding efforts made by other

Safety inspection in China

manufacturing sites. In this sense, the inspection has been used as an opportunity of safety education as well. The problems discovered by such inspections and the measures implemented to solve them are reported to the OKI Group Safety Management Liaison Committee, a committee comprised of representatives from the production divisions of group companies, and shared across the group.

In the fiscal year ended March 2008, the OKI Group enhanced safety eduction at overseas manufacturing bases by adding two manufacturing sites in China to the inspection list and gave lectures on CSR-related efforts asked for in the global supply chain.

Mental Health Promotion Across the Group

In order to promote the mental health of its employees, the OKI Group formed the Mental Health Care Working Group as a special subcommittee of the Central Safety and Health Committee. The working group has established some systems to promote selfcare and organized training programs about mental health.

In the fiscal year ended March 2008, Mental Toughness Orientation Program (MTOP), a stress management tool, was introduced to all group companies in Japan. As a result, approximately 10,000 employees are able to check their stress level and get appropriate advice off hand.

Stress level check by MTOP

Respect for Employees

Consideration for the Environment

In order to realize and pass on a better environment, the OKI Group promotes environmental management and makes efforts to conserve the environment through its products and business activities.

OKI Group Environmental Policy and OKI Eco Plan 21

We have promoted "network-type environmental management" based on the OKI Group Environmental Policy. The three pillars of our environmental activities are:
1) contributions to the environment through products;
2) contributions to environmental conservation in business activities and 3) contributions to environmental activities of society. We have also formulated the OKI Eco Plan 21 as the basis of our activities to reduce environmental burdens, and set medium-term goals and yearly goals.

OKI Group Environmental Policy

The OKI group achieves a better global environment by providing products that contribute to the realization of the "e-Society" for the next generation, and inherits this within the group.

❶ Aim to maximize activity effects by executing company wide network-type environmental management.
　(1) Take actions to provide environment-friendly products and services in all business processes through product planning, manufacturing and maintenance operation.
　(2) In the business activities, strive to save energy / resources and take actions to reduce wastes.

❷ Comply with applicable legal requirements / regulations / customer requirements / other requirements and prevent pollution.

❸ Adequately implement PDmCA (Plan-Do-multiple Check-Act) in the environmental management system, and take actions to progress environmental performances and to continue improvements of operation system.

❹ Disclose environmental information, and make wide contribution to the society by supporting environmental activities.

≫ Main Activities Under OKI Eco Plan 21 and Achievements in the fiscal year ended March 2008

	Category	Activities	Targets for the fiscal year ended March 2008		Achievements in the fiscal year ended March 2008
Products	Control for chemical substances contained in products	Enhancement of chemical substance management ● Response to RoHS directive and REACH Regulation ● Response to other regulations for chemical substances	Response to domestic and international laws and regulations, and customers' requests		Smooth response to objective products
			Establishment of information system at the manufacturing stage		Establishment of a system and start to operate it
Business Activities	Prevention of global warming	Reduction of CO$_2$ emissions originated from energy use in the business activities ● Introduction of the highly-efficient device/ Review of operation ● Application of other Measures	Electronic devices	Basic unit: Reduced by 1% or more (compared to fiscal 2006)	-1.6% (absolute quantity -5.1%)
			Info-telecom equipment	Basic unit: Reduced by 0.5% or more (compared to fiscal 2006)	+6.6% (absolute quantity +11.6%)
		Reduction of the emission of greenhouse gases not originated from energy use ● Introduction of exhaust-gas treatment equipment/ Process improvement/ Gas change, etc.	Establishment of implementation plan		Establishment of implementation plans
	Restriction of environment affecting chemical substances	Restriction of emissions and handled quantities of environment affecting chemical substances ● Reduced by 30% or more until 2010 compared to fiscal 2000	Consideration for the reduction plans/ Implementation of applicable measures		Consideration for the introduction of the facilities and reduction methods Consideration for the improvement of the manufacturing process
Environmental Management	Enhancement of the Environmental Management System	Promotion of the company wide network-type environmental management ● Considering and implementing the expansion of the applicable scope of the system in Japan and overseas	Expansion and consideration of the application in Japan and overseas		Expansion by 10 sites

Reducing Greenhouse Gases Emitted from Business Activities

The OKI Group has been active in saving energy in accordance with the basic policy of the electric and electronics industry that aims at improving the CO$_2$ basic unit by real output in fiscal 2010 by 35% (to 65% or less) compared to fiscal 1990. The information and communications group has reduced 32.8% and met the goal, and the semiconductor group has reduced 66.5%. The former worsened 6.6% compared to the previous fiscal year, and the latter improved 1.6%.

The OKI Group's CO$_2$ emission, from the information and

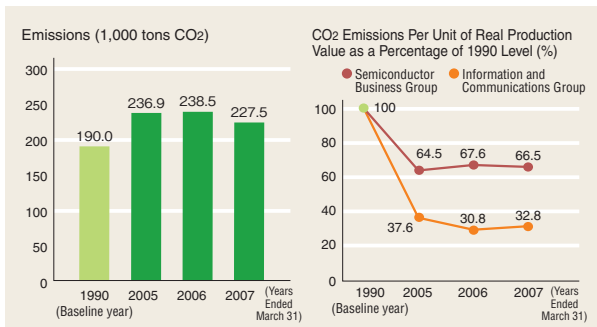| Focal Points for the Fiscal Year Ended March 2008 →	Main Initiatives in the Fiscal Year Ended March 2008 →	Focal Points for the Fiscal Year Ending March 2009
● Reliable conformance with environmental regulations for products on a global scale ● Reduction of greenhouse gases through energy conservation in business activities and other measures ● Reduction of greenhouse gases through less power consumption by our products ● Expansion of the scope of consolidated environmental ISO certification to overseas manufacturing sites	● **Built and implemented a system to manage chemical substances in products** ● **Nearly achieved the energy-saving targets of the industry** ● **Promoted the development of environmentally conscious technologies and products** ● **Expanded the scope of ISO14007 Consolidated Certification to include 10 more business units including two manufacturing sites in China**	● Promotion of the prevention of global warming ● Making our products more environmentally friendly ● Promotion of environmental management contributing to business ● Improvement and streamlining of environmental management ● Improvement and enhancement of internal environmental audits

communications group and the semiconductor group, amounted to 227,500 tons (9,800 tons smaller than the previous year).

* The CO_2 basic unit by real output is CO_2 emission divided by real output (real output is nominal production value divided by the Bank of Japan's corporategoods price index (electrical equipment), with the value of the index in fiscal 1990 set at 1)

≫ *CO_2 Emissions (from The OKI Group's major manufacturing sites)*

Emissions (1,000 tons CO_2)

(Years Ended March 31)	Emissions
1990 (Baseline year)	190.0
2005	236.9
2006	238.5
2007	227.5

CO_2 Emissions Per Unit of Real Production Value as a Percentage of 1990 Level (%)

● Semiconductor Business Group   ● Information and Communications Group

(Years Ended March 31)	Semiconductor Business Group	Information and Communications Group
1990 (Baseline year)	100	100
2005	64.5	37.6
2006	67.6	30.8
2007	66.5	32.8

Development of Environmentally-Friendly Products

Energy-saving Field Test at Convenience Stores

OKI conducted a field test at a group of convenience stores from fiscal 2006 to 2007 in cooperation with am/pm Japan Co., Ltd.

There are approximately 48,000 convenience stores in Japan. They are making various efforts to save energy. Most of their efforts, however, involve the adoption or improvement of individual pieces of energy-consuming equipment. There exists no system that allows the integrated management of such equipment and devices for an entire store. OKI's system for this experiment was comprised of a number of sensors installed inside and outside each store (to detect temperature, humidity, illuminance, and power consumed by the air-conditioning system), a ZigBee[1] wireless sensor network and context awareness technology. The ZigBee network collected different kinds of information that was then processed with context awareness technology[2] to perform tasks most suited the situation. In other words, all equipment and systems in the store were controlled efficiently in an integrated manner while the temperature and humidity were kept comfortable. This system could reduce power consumption by 5% a year at these convenience stores

located in Tokyo. We are now working on the commercialization of the system.

[1] ZigBee: A short-range wireless communication standard. Despite its low speed and short transmission range, it has the advantage of low power consumption and low costs.
[2] Context awareness technology: This technology allows a computer to actively collect information that indicates the status of a user, and perform tasks suited for the status.

Environmentally-Friendly IP Multi-Functional Telephone

OKI's MKT / IP-30DKWHFWL, a wireless IP multi-functional telephone launched in January 2008, allows the integration of the IP network into a wireless LAN for PCs and other electronic devices. With the outstanding operability inherited from the R telephone series, this telephone can be utilized in diverse working environments including a free-address office*. This is an environmentally-friendly product that could save power by 44% and materials by 8%.

* A free-address office is an office where employees do not have their desks. They work wherever they like in the office utilizing laptop PCs, cell phones, wireless IP telephones and wireless LAN.

Receiving "The Minister of Economy, Trade and Industry Award" of The 5th Prize for Promoting Machine Industry for the Practical Application of the Epitaxial Film Bonding Technology

In December 2007, OKI Data Corporation and OKI Data Imaging won "The Minister of Economy, Trade and Industry Award" of The 5th Prize for Promoting Machine Industry* for the practical application of the epitaxial film bonding technology. Epitaxial film bonding is a technology to bond thin films with different materials using the intermolecular bonding force working between the films. OKI was successful in the practical application of this technology for the first time in the world to mass produce a printer LED head. The new half-sized printer LED head will allow the dramatic downsizing of printers and the considerable reduction of power consumed.

* The Prize for Promoting Machine Industry is a prize to be awarded by the Japan Society for the Promotion of Machine Industry to firms, universities or inventors whose achievements are deemed to greatly contribute to the development of the machine industry.

For further information on OKI's environmental initiatives, please refer to our Environmental Report 2008

http://www.oki.com/en/eco/ecoreport/2008/

Consideration for the Environment

Social Contribution

OKI, as a good corporate citizen, implements social contribution activities and builds positive relationships with local communities.

Basic Philosophy and Systems for Social Contribution Activities

In 1996, OKI established the Corporate Philanthropy Office and formulated the Basic Philosophy and Basic Policy for Social Contribution Activities. The OKI Group, based on the same philosophy and policy, has promoted various social contribution activities. More specifically, the group has made donations, opened its facilities for community use, and supported social action programs by employees.

There are two types of social action programs the OKI Group has supported: donation-based programs that collect contributions from employees every month, and participatory programs related to social welfare or environmental protection activities. In order to be involved in a wide range of social contribution activities, we have interacted and collaborated with various nonprofit organizations.

In the fiscal year ended March 2008, under the slogan "Let's begin with what is achievable now," the OKI Group has pursued "social contribution unique to OKI," organized new, more accessible programs, and offered employees information on social contribution via e-mails or its intranet.

Social Contribution Activities: Basic Philosophy and Basic Policy

Basic Philosophy
As a good corporate citizen, OKI will consider and take actions in order to realize the genuine enrichment of society, and will implement social contribution activities that earn the support of the public.

Basic Policy
[Corporate Activities]
- OKI will continue to implement social contribution activities that reflect local and national needs, using its corporate resources, including its human resources and assets.
- OKI will focus on social contribution activities that reflect its corporate characteristics and will enhance its image while inspiring pride and energy in its employees.

[Activities by Individuals]
- OKI will encourage and support voluntary activities that allow individual employees to express their humanity.

Slogan
Let's begin with what is achievable now!

Donation-based Program
The OKI 100 Yen Fund of Love

The OKI 100 Yen Fund of Love is a donation-based social action program that asks each participant to donate 100 yen a month. The participants in the program include executives and employees of 35 companies of the OKI Group as of March 31, 2008. In 2006, the system of the program was altered to secure stable funding and attract as many participants as possible. Under the new system, each participant can choose the amount to be donated from three options -- 100 yen, 200 yen and 300 yen -- every time. However, the program faced a revenue shortfall in the fiscal year ended March 2008 and had to suspend part of its activities, financial assistance to an NPO that sends used clothes to refugee camps.

» *The OKI 100 Yen Fund of Love Achievements in the fiscal year ended March 2008*

Donation of a blood transport vehicle to the Japan Red Cross Society	3,000,000 yen (including matching donation)
Local and International transportation costs to send used clothes to refugee camps	Suspended
Financial assistance to a project to promote the employment of people with disabilities as teleworkers	2,000,000 yen
Financial assistance to social action groups in which OKI's employees are involved	2,970,000 yen (24 organizations supported)

A car donated to the Japan Red Cross Kagawa Blood Center (February, 2008)

Supporting Social Action Organizations in Which OKI's Employees are Involved

The OKI Group has provided financial assistance to organizations in which its employees are involved, based on the request of such employees or the Corporate Philanthropy Office. The source of such financial assistance is The OKI 100 Yen Fund of Love. In 2007, we funded 24 organizations. Among them was the Architectural Association of Japanese DEAF (AAJD). The fund from the OKI Group was used for the production of "SOS Cards" for people with disabilities.

Focal Points for the Fiscal Year Ended March 2008 ➜

● Reaffirm distinctively OKI social contribution and extend that awareness to the group
● Reinforce communication to employees related to volunteer activities

Main Initiatives in the Fiscal Year Ended March 2008 ➜

● **Organized more accessible programs**

Focal Points for the Fiscal Year Ending March 2009

● Resume financial assistance to the NPO that sends used clothes to refugee camps
● Enhance activities to contribute to local communities
● Promote collaboration with local municipal governments and NPOs

The SOS Cards were designed to help people who have difficulty expressing themselves in speech in the event of an emergency such as an accident or a disaster. With these cards, people with speech difficulty can communicate with others by simply pointing at or showing the card that best suits the situation they are in. OKI Consulting Solutions Co., Ltd. helped AAJD develop and assess the cards, while OKI Workwel designed the cards and uploaded them to AAJD's website.

SOS cards are available at the AAJD's website
http://www1s.wisnet.ne.jp/

Presentation Meeting on Activities by NPOs

In order to help its employees deepen their understanding of NPOs and their social contribution activities, the OKI Group holds a presentation meeting every year. Two NPOs, selected from among the organizations supported by The OKI 100 Yen Fund of Love, are invited to the meeting and asked to make a presentation on their activities.

In 2007, the Japan Marrow Donor Program and the "Ryugakusei Bungakusho" Committee were invited to the meeting. OKI has collaborated with the former in holding "marrow donor registration meetings." The latter is the organizer of Ryugakusei Bungakusho (the Japanese literary prize for international students in Japan).

Participatory Social Action Programs

OKI Mountain and Forest Brigade

The OKI Group has organized the OKI Mountain and Forest Brigade, a program for employees and their families focusing on the maintenance of forests and interactions with local people.

In the fiscal year ended March 2008, the brigade cut and thinned two forests associated with the OKI Group, one in Komoro (Nagano Prefecture) and the other in Kannonyama (Gunma) twice. The brigade also conducted thinning in Izu (Shizuoka). These activities were carried out in cooperation with the City of Komoro, Gunma Forest Management Department, the Green Earth Center (NPO) and other relevant organizations.

Tree thinning in a forest sponsored by OKI in Komoro

Supporting "All-Japan School Biotope Contest 2007"

The OKI Group has supported the School Biotope* program* since 2001. On February 10, 2008, the leading event for the All-Japan School Biotope Contest was held at the National Olympic Memorial Youth Center in Tokyo under the auspices of the Ecosystem Conservation Society. The OKI Group broadcast the event live to the relevant schools and kindergartens in Hokkaido, Tokushima and Osaka using its video conferencing system Visual Nexus. Video recordings will be used to promote the school biotope program.

Volunteer workers from OKI broadcasting the event live

* The School Biotope program is an activity to help children experience and learn ecosystem of the nature and the importance of symbiosis with nature.

Promoting Blood Donation in Thailand

In 1964, OKI launched Japan's first corporate blood drive. Since then, OKI has been active in promoting blood donation inside and outside Japan. OKI Data Manufacturing Thaland, a Thai subsidiary of OKI that manufactures printers, has

Employees of OKI Data Manufacturing Thailand donating their blood

carried out organizational blood donating periodically. In the fiscal year ended March 2008, approximately 290 employees donated their blood.

Social Contribution

OKI, as a good corporate citizen, implements social contribution activities and builds positive relationships with local communities.

Making and Donating Lao Picture Books

The OKI Group, in cooperation with the NPO Action with Lao Children, sponsors an event to create picture books in the Lao language every year. During the event, participants added Lao translations to Japanese picture books. The event

Books and picture-card show sets, published in Laos with financial assistance from the OKI 100 Yen Fund, presented at the event

also features a quiz show through which the participants can deepen their knowledge of Lao culture. The participants in the 2007 event included not only employees of the OKI Group and their families but also students from Gakushuin Women's College who were going to visit Laos with Action with Lao Children. The 34 participants made 60 picture books during the event.

Creating More Accessible Social Contribution Programs

In oder to encourage as many employees as possible to participate in social contribution activities, the OKI Group organized two new programs.

●SELP Vending Machines

In May 2007, OKI installed a SELP* vending machine at its headquarters office. If you buy a can of soft drink from this vending machine, part of the money you have paid will be used for activities to support working people with disabilities, such as ads and educational events.

* SELP stands for the Support for Employment, Living and Participation (described as a vocational aid center in laws).

●Distributing Organ Donor Cards

In April 2007, the OKI Group produced its original organ donor card. It is characterized by a space for the blood type of the holder. Copies of the card are being distributed to those who are interested among employees of the OKI Group.

Promoting Contribution to Local Communities Inside and Outside Japan

Supporting Children in Africa

OKI Systems Italia has supported the life and education of children in Africa via Reach Italia Onlus, a humanitarian organization in Italy. Reach Italia Onlus is an affiliate of REACH International, a non-profit organization based in the United States. OKI has

A letter from one of those children

collaborated with Reach Italia Onlus since 2000. Those children in Africa send OKI letters and photos occasionally.

Lectures on Barrier-Free Environment

The teleworking employees of OKI Workwel have given lectures on barrier-free designs and environments in local schools or other public facilities, and told their experiences as people with disabilities. In the fiscal year ended March 2008, one of them was invited by the NPO Career World and the Katsushika Council of Social Welfare to give lectures at elementary and junior high schools in Chiyoda-ku and Katsushika-ku, Tokyo. He told children about the inconvenience he had to suffer and the importance of barrier-free designs.

A lecture at a junior high school

Students experiencing a wheelchair

Donation of Color LED Printers to Schools in Hong Kong

In March 2008, OKI Data Corporation donated C8600 Color LED printers to schools and other public facilities in Hong Kong via the NPO Yan Oi Tong. The purpose of this donation is to help local people improve

their motivation for learning or rehabilitation, and thus contribute to the development of local communities.

Building Trust

In the fiscal year ended March 2008, the OKI Group restructured and consolidated the organizations dedicated to its CSR initiatives, and newly established the CSR Promotion Division and the CSR Committee. It was followed by the enactment of the OKI Group Code of Conduct in August of the same year. Then this code of conduct was adopted by 120 companies of the OKI Group inside and outside Japan. In other words, the basis for the global promotion of CSR initiatives was ready at that time. Meanwhile, we carefully reviewed the six priority themes for CSR we had pursued since 2004. We then redefined "Full Compliance with Laws and Regulations" as the underlying principle for our all CSR-related activities while adding a new priority theme "Information Security."

In the fiscal year ending March 2009, we will further enhance and improve our global framework for the promotion of CSR initiatives based on the OKI Group Charter of Corporate Conduct and the OKI Group Code of Conduct. Furthermore, we will continue to pursue the seven priority themes focusing on the points listed in the following table. At the same time, we will reflect on the fulfillment of our corporate social responsibilities in terms of the expectations of our stakeholders toward us and the roles we should play, and will further contribute to people and society through our core business.

≫ Points of CSR Focus in the Fiscal Year Ending March 2009

CSR Priority Themes	Main Initiatives in the fiscal year ended March 2008	Focal Points for the fiscal year ending March 2009
Full Compliance with Laws and Regulations	● Expanded the scope of participation in the e-learning program on compliance ● Increased the number of group companies subject to risk management ● Enhanced monitoring based on the results of assessments	● Steady promotion and improvement of the risk management system ● Enhancement of compliance education for the group
Information Security	● Established the Information Security Committee and information security measures to be implemented across the group ● Established a system to promote information security at each business unit or member company ● Conducted a general checkup and an information security audit across the group	● Further promote information security by rolling out security measures to procurement departments and suppliers ● Monitor how the information security measures have been implemented and established
Improvement of Customer Satisfaction	● Established the group's cooperative framework for responding to product accidents ● Improved customer/market interfaces using guidelines for consumer products as a reference ● Developed Workwel Communicator and other systems	● Facilitate information sharing within the group for preventing product accidents ● Review quality education based on changes in demand ● Expand application of universal design technique
Good Communication with Shareholders and Investors	● Increased the number of tours ● Held business seminars on telecommunications and printers	● Promote information provision to institutional investors
Respect for Employees	● Conducted training focusing on business globalization ● Adopted telework on a trial basis ● Distributed a booklet that helps support the development of the next generation ● Enhanced safety inspections at manufacturing bases ● Introduced a stress management tool to group comapnies	● Recruitment and training of diverse human resources ● Dissemination and monitoring of supports for the development of the next generation ● Promotion of work-life balance ● Promotion of the mental and physical health of employees
Consideration for the Environment	● Built and implemented a system to manage chemical substances in products ● Nearly achieved the energy-saving targets of the industry ● Promoted the development of environmentally conscious technologies and products ● Expanded the scope of ISO14007 Consolidated Certification to further include two manufacturing sites in China and eight other business units	● Promotion of the prevention of global warming ● Making our products more environmentally friendly ● Promotion of environmental management contributing to business ● Improvement and streamlining of environmental management ● Improvement and enhancement of internal environmental audits
Social Contribution	● Organized more accessible programs	● Resume financial assistance to the NPO that sends used clothes to refugee camps ● Enhance activities to contribute to local communities ● Promote collaboration with local municipal governments and NPOs

Editorial Postscript

It is our great pleasure to publish the Social Responsibility Report of the OKI Group for the fourth year. This report for the fiscal year ending March 2009 features four articles under the title "Meet Our CSR Commitment" that covers four important challenges for the OKI Group. They are actually very important issues for all our stakeholders and society in genera as well. Each article describes how the OKI Group has addressed this issue in its business activities. Since this editorial style is not only appealing to readers but also very useful for insiders to review how the OKI Group has pursued its social responsibilities in the course of doing our core business. Thus we will probably continue to use this style.

Regarding the seven priority themes the OKI Group focuses in its CSR initiatives, we again put the focal points for and the achievements in the previous year side by side with the focal point for this year. In this way, readers can easily follow OKI's progress in each area of activities. The establishment of this report format has also allowed people working at OKI to share the same results and challenges with relevant business units within the group.

We fully aware that there are still some flaws and holes in this report. However, this also means that we still have a room to improve and grow. We will continue to listen to our stakeholders, disclose the information desired by our stakeholders in a more easy-to-understand way. Your candid opinion about the report would be greatly appreciated.

September, 2008
CSR Promotion Division
OKI Electric Industry Co., Ltd.

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OKI

Oki Electric Industry Co., Ltd.