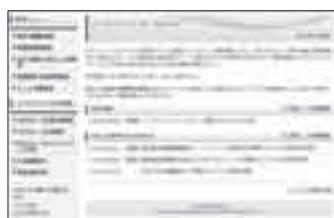


Full Compliance with Laws and Regulations

The OKI Group has worked to strengthen compliance in order to comply with all related laws and regulations and implement sound corporate activities consistent with social norms. Under the leadership of the Compliance Committee headed by the Chief Compliance Officer, we focus on the enhancement of training and the promotion of integrated, systematic, companywide risk management. Furthermore, we have established consultation and reporting channels as well as whistle-blowing regulations such as those about the protection of whistle-blowers, thus tried to discover and rectify improper activities at an early stage if any.

Enhancement of Compliance Education

In order to disseminate compliance-related measures across the company, OKI gives training sessions for Compliance Managers at six sites in Japan. Compliance



Compliance portal site

Managers facilitate the steady dissemination of compliance-related measures by rolling out the knowledge they have learned in such training sessions to their organizations. The participation rate in the program for fiscal 2010 was 100% as had been in fiscal 2009.

In March 2011, we opened a compliance portal site on our intranet. In light of "the need for easy access to the pieces of information required for conducting business activities appropriately" (which had been highlighted by a survey of all employees of the group), the site was designed to help users easily search compliance-related information provided on the intranet for different business tasks such as laws and regulations, in-house rules, contact information of relevant business units, and texts for case studies.

Improvement of Measures to Deal with Compliance Risk

OKI has steadily promoted risk management based on its Risk Management Regulations and established a system to deal with any risk. As OKI regards compliance risks* as the most important category thereof, each business unit of the company needs to register 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 takes corrective measures if necessary.

In fiscal 2010, the company improved the measures for risks about product safety, from among all registered risks, gave a group training program about them, facilitated the sharing of information on related cases, and enhanced monitoring. We also gave a training course on competition laws in different countries and regions as part of our measure for enhancing risk management at overseas group companies. People working at the sales departments of those companies had to take the course.

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

Emergency / Disaster Response

The OKI Group has established "Safety Countermeasures Committees" and emergency communication networks at its domestic and overseas sites as well as its group companies. In the event of a disaster, appropriate countermeasures are enacted 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, we set guidelines for formulating a BCP (Business Continuity Plan) in fiscal 2008.

In accordance with these systems and guidelines, we set up an emergency headquarters on March 11, 2011, the day when the Great East Japan Earthquake hit Japan, in order to take various measures for recovery. Since there were some unanticipated circumstances, such as severe damages on our suppliers and a serious electricity shortage, we are currently reviewing the BCP. We will continue to make our utmost efforts to appropriately deal with any disasters such as an earthquake.

Fair Business Activities

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 in Japan and other countries. 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.

Efforts Across Supply Chain

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. The standard is to be updated as needed. In 2006, we created the "OKI Group Procurement Policies" by revising the existing purchasing policy. The new policy includes several new stipulations on "compliance with the laws and social norms," "considerations for environmental protection," "proper management and protection of information" and other issues. Since then we have promoted the dissemination of the new policy among employees involved in purchasing across the group.

In fiscal 2010, we became a member of the Working Group on Supply Chain Management of the Global Compact Network Japan, one of the Local Networks of the United Nations Global Compact, explored the global trend of CSR procurement, and examined what sustainable supply chain management was supposed to be. We will further promote sustainable procurement in cooperation with our suppliers as our partners.