

A Message from the President

We keep our customers' trust and help people enjoy an improved quality of life through our ongoing efforts and sincere business activities based on an "enterprising spirit."



I would like to express my sincere condolences to all those suffering from the effects of the disaster caused by the Great East Japan Earthquake and hopes for the swift recovery of the affected areas.

The OKI Group gives first priority to the recovery of systems supporting social infrastructure such as those used at hospitals, police stations and fire departments in order to ensure the safety and security of the people afflicted by this unprecedented disaster. We will continue to exert our utmost efforts to assist in the reconstruction of the areas hit by the earthquake.

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

OKI marks its 130th anniversary this year. Kibataro Oki, the company's founder, established Meikosha, Japan's first manufacturer of telecommunications equipment and the predecessor to OKI, in 1881 soon after the Meiji Restoration. He took on the challenge of producing telephone sets only five years after Alexander Graham Bell's invention of the telephone. In short, OKI has been enthusiastically 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 global information and communications services to meet the diversified needs of communities worldwide in the information age."

We contribute to society through our products and services

Based on this philosophy, the OKI Group's mission is to contribute to society through our products and services. Today, we provide many products and services that constitute and maintain social infrastructure. Among them are telecommunication infrastructure for carriers, operational systems for financial institutions, automated teller machines (ATMs), ticket issuing and check-in processing systems for transportation services, and other public service systems. We take pride in them because they were created by the results of our business activities characterized by the integration of sales and marketing, technology development, production, and maintenance. More specifically, we accurately understand the needs of society, reflect them in the development of element technology, create products utilizing such technology, establish effective manufacturing techniques, achieve a level of quality that truly satisfies customers, and offer reliable maintenance systems.

In order to further serve customers and society in this age of volatility and change, we brushed-up our mid-term business plan in October 2010, and worked out various measures for the program for the enhancement of management base and the program for growth.

We will shift to consolidated group management, enhance "monozukuri" (the art of manufacturing), strengthen our service business, and create new businesses based on our unique technologies in order to help people enjoy a more improved quality of life under the following two strategies:

- OKI provides products and services to contribute to the development of the information society through joint efforts by sales and marketing, technology development, production, and maintenance.
- OKI aims to become a company that makes steady growth by generating profit stably.

We promote responsible corporate management as a global corporation.

In order to advance responsible management as a global enterprise, the OKI Group has enhanced corporate governance and facilitated the implementation of group-wide CSR-related activities. Part of such efforts was the enactment of the OKI Group Charter of Corporate Conduct, the statement of values to be shared with all group companies, and the OKI Group Code of Conduct that should be conformed by all executive officers and employees. We have disseminated the charter and the code across all companies of the OKI Group

inside and outside Japan.

Furthermore, OKI participated in the United Nations Global Compact in May 2010. OKI supports the Global Compact's ten principles in the areas of human rights, labor, environment, and anti-corruption while further promoting its CSR activities to help build a sustainable society.

We address climate change and the reduction of chemical substance risk in order to realize a better global environment.

From this perspective, we believe that proactive actions for reducing environmental load form an integral part of the OKI Group's CSR initiative. In order to address climate change and help realize a low carbon society, the entire OKI Group has promoted Green IT and has been involved in the improvement of energy use efficiency through all business activities inside and outside Japan.

On the other hand, as existing and new regulations to control chemical substances contained in products have become increasingly demanding across the world including Europe, more concrete and effective systems to handle such substances are required for companies. The OKI Group will enhance its systems to manage chemical substances in order to ensure strict conformity with these regulations and reduce chemical substance risk, develop solutions based on our knowledge and experiences accumulated through such efforts, and offer such solutions to our customers to help them build effective systems to control chemical substances.

As the OKI Group reaches its 130th anniversary as an important turning point, we will go back to the starting point, an "enterprising spirit," continue to make steady and sincere efforts for our CSR initiatives, and further increase our corporate value. This Social and Environmental Report 2011 is intended to help all stakeholders better understand the OKI Group's social and environmental activities carried out in fiscal 2010. We sincerely hope that as many people as possible will read this report. Your honest opinions regarding our CSR initiatives would be greatly appreciated.

June, 2011



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President
Oki Electric Industry Co., Ltd.