

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."

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

OKI commemorated its 130th anniversary in November 2011. In order to take on the challenge of producing telephone sets in Japan, Kibaturo Oki, the company's founder, established Meikosha, the country's first manufacturer of telecommunications equipment in 1881 only five years after Alexander Graham Bell's invention of the telephone, and laid the first foundation of Today's OKI Group. Since then, we have always been committed to "creating new businesses with new technologies" and "making the world more convenient." This commitment 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. They are 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, establish element technologies and manufacturing technologies, achieve a level of quality that truly satisfies customers, and offer reliable maintenance systems ensuring secure, long-time use of our products and service. As an outcome of such activities, today we provide many products and services that constitute and maintain social infrastructures. Among them are telecommunication infrastructure for carriers, operational systems for financial institutions, automated teller machines (ATMs), and various public service systems including disaster prevention systems.

In order to further serve customers and society in this age of volatility and change, our mid-term business plan for the period from 2011 to 2013 focuses on bolstering efforts for growth 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.

Grounded in the solid business base constructed through various efforts we have made thus far, 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.



Hideichi Kawasaki

Hideichi Kawasaki
President
Oki Electric Industry Co., Ltd.

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 2010. Since then, we have further promoted our CSR activities based on the Global Compact's ten principles in the areas of human rights, labor, environment, and anti-corruption. Fully aware of our responsibilities as a global enterprise, we will continue to help build a sustainable society.

We contribute to the realization of a better global environment in accordance with the OKI Group Environmental Vision 2020.

From this perspective, we believe that proactive actions for reducing environmental load form an integral part of the OKI Group's corporate activities. In order to understand global environmental issues and contribute to the realization of a

better global environment, we enacted the OKI Group Environmental Vision 2020 in April 2012. The vision outlines the basic directions of the group's environmental management and sets targets for 2020 in four fields of "Realization of a low-carbon society," "Prevention of pollution," "Resource circulation" and "Biodiversity conservation." In accordance with the vision, we will enhance our efforts about business activities and products.

With a number of significant incidents and changes in the business environment inside and outside Japan, we had to rethink the importance of sustainability and social responsibility during 2011. Among them were the Great East Japan Earthquake in March, Thailand floods in October, supply-chain disruptions and electricity shortages due to these natural disasters, economic crises in Europe, and rising yen. As the OKI Group commemorated its 130th anniversary in the same year, we saw this milestone as a fresh new beginning to go back to the starting point, an "enterprising spirit." We are now determined to further increase our corporate value through sincere business activities. This Social and Environmental Report 2012 is intended to help all stakeholders better understand the OKI Group's social and environmental activities carried out in fiscal 2011. 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, 2012