

THE NEW VALUE FRONTIER



Kyocera Group
CSR Report

Economic, Social and Environmental Reports

2013

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Corporate Motto / Management Rationale

Corporate Motto

“Respect the Divine and Love People”

敬天愛人

Preserve the spirit to work fairly and honorably,
respecting people, our work, our company
and our global community.

Management Rationale

To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.

Management Philosophy

To coexist harmoniously with our society, our global community and nature. Harmonious coexistence is the underlying foundation of all our business activities as we work to create a world of prosperity and harmony.

Methods of Management

1. To earn fair profit through harmonious business practices that result in products that satisfy our customers — providing quality products at lower prices, realized through ongoing R&D and sincere service.
2. To manage our company as if we were a family, hearts bound together devoid of antagonism, helping each other with a mutual sense of gratitude and appreciation.



Kazuo Inamori
Founder and
Chairman Emeritus
KYOCERA Corporation

Kazuo Inamori

The human race is facing a turning-point in history. In politics, business and other areas of society, the old order no longer seems to function well. A new framework and way of thinking are being sought.

This new way of thinking is a philosophy that enables all living things on earth to survive and thrive — the spirit of “Living Together.”

Most important for a business enterprise fulfilling its public responsibility is building mutually supportive relationships in order for society — including businesses — to continue their existence. It is vital that business management is based on the spirit of Living Together for mutual development to occur.

Kyocera was founded in 1959 as a specialized maker of fine ceramic components. Building on this technology, we committed to multilateral development and grew into a comprehensive manufacturer involved in all stages of production, right up to finished equipment. Kyocera's growth has not simply been a matter of creating new value through technology and goods. It has also been about following the same path as society and people, based on the bonds of human minds. Our approach to Living Together will remain unchanged.

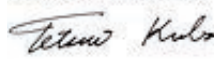
Kyocera seeks to join the hearts and minds of people, and to share the joys of life. Based on the spirit of Living Together, we strive to create a prosperous future for all.

Top Management Message

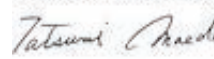
Contributing to the advancement and development of humankind and society through practice of the Kyocera Philosophy



Tetsuo Kuba
Chairman
KYOCERA Corporation



Tatsumi Maeda
Vice Chairman
KYOCERA Corporation



Goro Yamaguchi
President
KYOCERA Corporation



Correct application of the concept, “Do what is right as a human being”

At the heart of Kyocera Group management is the corporate philosophy known as the Kyocera Philosophy, which emphasizes the importance of fair business based on ethical, moral and social standards that people should uphold throughout life. Ultimately, it comes down to one criterion for making decisions: “What is the right thing to do as a human being?”

To realize our corporate philosophy, Kyocera developed a unique management control method known as the Amoeba Management System. With this system in place, Kyocera promotes a management method in which all employees can participate. Furthermore, Kyocera believes in highly transparent corporate activity with timely disclosure of information to customers, employees, shareholders, investors, business associates, and all other stakeholders.

For the Kyocera Group, CSR is tantamount to the practice of the Kyocera Philosophy — the heart of Kyocera Group management. We believe practice of the Kyocera Philosophy builds mutual trust with stakeholders, and contributes to sustainable growth for the Kyocera Group, as well as the overall development of society. We will continue to engage in corporate management through practice of the Kyocera Philosophy.

Addressing social issues through business operations

The Kyocera Group is primarily engaging in business development in two areas that we see as growing markets. One is the information and communications market. This market is expected to see increased global use of smartphones and higher-speed networks. The other market is the environment and energy market, which is being spurred by a rising awareness of global environmental protection.

The information and communications market not only requires quality and safety, but user-friendliness is also essential for product development. Products must be accessible and satisfactory to people of all ages, regardless of gender or disability. For example, the Kyocera Group has developed a smartphone with a unique feature that uses sound and vibrations to transmit the voice of the other person through the display screen. This enables users to hear easily in train stations and other noisy environments. Mobile handsets designed specifically for the needs of children and elderly people are also being commercialized. The Kyocera Group is committed to meeting the needs of society and developing products that satisfy a wide range of customers.

In the environment and energy market, we are applying our strengths in energy creation technologies — including solar power and solid oxide fuel cells (SOFC) — as well as wireless communication technology. Based on these strengths, we have begun marketing original Kyocera Home Energy Management Systems (HEMS) which link solar modules, SOFCs and storage batteries with the commercial power grid to further raise the efficiency of energy management. Meanwhile, utility-scale mega-solar power plants require solar modules featuring high quality and long-term reliability. By providing such modules and by advancing its solar power generation business in diverse ways, Kyocera is further promoting the spread of renewable energy use.

The Kyocera Group will continue to address social issues through business, and thereby contribute to development of a sustainable society.

Accelerating the global development of our business

The Kyocera Group must further strengthen its management foundation and accelerate the global development of its business. These are necessary goals in order to compete globally and maintain high growth.

Therefore, we continue to work on further cost reduction as well as the streamlining and capacity expansion of existing production bases. At the same time, we are promoting measures such as the establishment of new production bases in Vietnam and elsewhere, and reexamining ways of procuring materials. Moreover, the Kyocera Group strives to undertake business activities rooted deeply in local communities. In addition to abiding by the laws and regulations of individual countries, the Kyocera Group places great importance on respecting the diversity of local practices and cultures.

The Kyocera Group participates in the United Nations Global Compact, a global platform for supporting fundamental principles in the areas of human rights, labor, environment and anti-corruption. We remain dedicated to earning yet greater trust from our stakeholders.

Your understanding of the Kyocera Group's CSR activities is greatly appreciated, and we welcome your opinions.

Kyocera Group Management Roots



Company members around the time of foundation

The origin of Kyocera Group management is the Kyocera Philosophy, a philosophy for work and life based on the real-life experiences and empirical rules of Kazuo Inamori, founder and chairman emeritus of Kyocera Corporation. With “What is the right thing to do as a human being?” as its most essential criterion, the Kyocera Philosophy expounds the significance of commitment to fair management and operation in compliance with the most fundamental human ethics, moral values and social norms.

What is the Kyocera Philosophy?

The Management Rationale of the Kyocera Group is: “To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.” The “material and intellectual growth” that we aim for includes the pursuit of economic stability, and entails the pursuit of mental riches as a human being, in the shape of life with purpose and job satisfaction through self-fulfillment in the workplace.

Additionally, the steady refinement of our technology allows us to provide the world with wonderful products one after another, and thereby contribute to the advancement of science and technology. At the same time, by steadily raising profits as a company we aim to contribute to the improvement of common welfare, through increased tax payments and other means. The guidelines for action in pursuing the Management Rationale are set out in the Kyocera Philosophy. As a state of mind for leading wonderful lives, we are striving day by day to practice the Kyocera Philosophy.

Origin of the Kyocera Philosophy

In 1959, with the generous support of the people around them, company founder Kazuo Inamori and seven other colleagues established Kyoto Ceramic Co., Ltd. (now Kyocera Corporation). Starting with a meager amount of capital, the company had no imposing office building or elaborate machinery in the beginning. All it had were fellow colleagues who shared the joys and sorrows and formed a close bond as members of one big family. Inamori then decided to base the management of the company on this bond of human minds. This is because he believed that while human minds are extremely changeable, they are also most dependable once the minds are bonded by strong trust.

Later, Inamori encountered many difficulties in managing Kyocera, but he overcame them each time believing in the strong bond of human minds. Kyocera Philosophy was thus born as he debated his life and work.

Basic Ideas of the Kyocera Philosophy

The Kyocera Group believes that decisions should always be made through reason and based on the idea of “What is the right thing to do as a human being?” as the basic criteria to achieve compliance with public morals.

The criterion of “What is the right thing to do as a human being?” is based on the fundamental ethical and moral values of the natural goodness of human beings: “Don’t be greedy,” “Don’t cheat people,” “Don’t lie,” and “Be honest” are teachings we all received from our parents as a child and represent the most basic principles of humankind.

We believe that when making decisions and taking action in daily life, we should resort to the criterion of “What is universally right as a human being” and not the criterion of “What best suits our own convenience.”

Kyocera Philosophy Pocketbook

A copy of the Kyocera Philosophy Pocketbook is distributed to each employee at Kyocera. Employees use various opportunities to apply the principles in the Pocketbook, and to independently learn and practice the Kyocera Philosophy. In April 2011, we published the Kyocera Philosophy Pocketbook II, which summarizes additional important points of the Philosophy. The updated Pocketbook is being progressively translated into multiple languages to aid penetration of the Kyocera Philosophy in bases overseas.



Management Based on the Kyocera Philosophy

For the Kyocera Group to realize the management rationale, correct understanding and application of the Kyocera Philosophy are essential. This applies also to Amoeba Management; Kyocera Management and Accounting Principles; The Twelve Management Principles; The Spirit of Manufacturing; and Kyocera Employee's Action Guideline. All are based on the Kyocera Philosophy.

Correct understanding and application are essential for future growth and development, to sustain the dreams of employees, and for the Kyocera Group to continue as a corporate group that contributes to the development of society. The Kyocera Group provides these booklets to employees, and endeavors to raise understanding and permeation of the principles contained therein.



Amoeba Management

The Kyocera Group uses its own business administration method called the Amoeba Management System, which is specifically developed to realize the corporate philosophy of the Kyocera Group. Under this system, the company organization is divided into small groups called amoebas, which operate on a selfsupporting basis. We believe that employees' enhanced sense of participation in management and motivation engendered by Amoeba Management constitutes the source of the Kyocera Group's strength. The small group system also serves to clarify the responsibilities of each member of the group, secure transparency in every detail, and enable a thorough check of efficiency.

The Objectives of Amoeba Management

1. Establish a market-oriented divisional accounting system
2. Foster personnel with a sense of management
3. Realize management by all

Kyocera Management and Accounting Principles

Accounting is integral to the management of a company as it plays the key role as the compass that leads a company to the destination. When handling accounting matters, it is important to trace them back to their essence and take appropriate measures according to our primary criterion of "What is the right thing to do as a human being?" Kyocera considers the ideal state of accounting to be one in which the facts are shown as they are, and recognizes the importance of fair and transparent management.

Kyocera Management and Accounting Principles is a set of practical accounting principles designed to give a correct understanding of the realities of the company and the directions to be taken. In the Kyocera Group, each employee is encouraged to understand and become familiar with the Kyocera Management and Accounting Principles, and to act in accordance with these principles. We believe this becomes a sound foundation not only for fair accounting activities, but also for the long-term development of the company.

Kyocera Management and Accounting Principles Pocketbook

Introduction: Adhere to Fundamental Rules and Principles

- I. The Principle of One-to-One Correspondence
- II. The Principle of Double-Checking
- III. The Principle of Perfectionism
- IV. The Principle of Muscular Management
- V. The Principle of Profitability Improvement
- VI. The Principle of Cash-Basis Management
- VII. The Principle of Transparent Management



The Twelve Kyocera Management Principles

The Twelve Kyocera Management Principles are fundamental management rules. In other words, they do not change, regardless of any changes occurring in the business environment or conditions. They are the starting point of universal management, and represent the tenets of our management.

1. Clearly state the purpose and mission of your business.
2. Set specific goals.
3. Keep a passionate desire in your hearts.
4. Strive harder than anyone else.
5. Maximize revenues and minimize expenses.
6. Pricing is management.
7. Success is determined by willpower.
8. Possess a fighting spirit.
9. Face every challenge with courage.
10. Always be creative in your work.
11. Be kind and sincere.
12. Always be cheerful and positive.

Kyocera Spirit of Manufacturing

Since its foundation, Kyocera has provided the world with diverse products. Understanding Kyocera's attitude toward manufacturing begins with the recognition that the principles, "Do what is right as a human being," "Making sharp products" and "Listening to what the product has to say" are among crucial elements in the Kyocera Philosophy. This attitude has been inherited by employees involved in manufacturing on the production floor, and has become the driving force behind Kyocera's development.

For the Kyocera Group to sustain development in the future, we must ensure that our "manufacturing spirit" in each production floor is clearly transmitted to the next generation. The "Kyocera Spirit of Manufacturing" summarizes the action principles and action guidelines to be followed on the production floor.

Kyocera Spirit of Manufacturing Pocketbook

1. The essence of manufacturing
2. Aim for the ideal in manufacturing
3. Maintain strong profit awareness
4. Adhere to the Workfloor Principle
5. Aim for the ideal state of production facilities
6. Respect laws and rules
7. Refine spirit and skills
8. The spirit of manufacturing



Kyocera Employee's Action Guideline

To ensure that the Kyocera Philosophy is reflected in diverse aspects of corporate activity, we have established the Kyocera Employee's Action Guideline, which is a fundamental code of conduct for the day-to-day business activities of Kyocera Group employees. In the midst of rapid globalization, sensible action and attitudes firmly based on a universal philosophy and transparent rules are keenly required of enterprises and businesspeople.

In the Kyocera Group, "What is the right thing to do as a human being?" is always the basis of decision-making. All matters are decided in accordance with this fundamental principle. The Kyocera Group respects the nature of every individual, complies with legal requirements and is keenly aware of social responsibilities. All corporate activities are undertaken with the aim of achieving "coexistence with society, the world and nature."

Kyocera Employee's Action Guideline Pocketbook

1. Basic Attitude
2. Working Attitude
3. Spirited and Motivating Workplace
4. Community Activities
5. Relationship with Clients and External Organizations
6. Legal Compliance
7. Handling of Information
8. Behavior in Foreign Countries
9. Global Environmental Protection Activities



Excerpts from the Kyocera Employee's Action Guideline Pocketbook

■ Respect for Human Rights

Kyocera Group employees maintain the fundamental stance of respect for basic human rights. This stance is at the heart of every activity, regardless of circumstances.

All people must be esteemed as irreplaceable individuals. Discrimination against people on the basis of race, creed, gender, or for other unwarranted reasons is not tolerated.

Since its early days, Kyocera has maintained fairness, justice and good faith as the fundamental criteria for decision-making in all actions. Therefore, we strive for better human relations with an altruistic mind and consideration toward all other people, based on mutual respect for human rights.

■ Compliance with Laws

Kyocera abides by legal requirements, and engages in corporate activities with a firm ethical perspective based on the Kyocera Philosophy.

“What is the right thing to do as a human being?” is the criterion for making decisions. This wholesome ethical viewpoint is based on the law and other social norms. Employees must never deliberately engage in or contribute to wrongful deeds for any reason, in business matters or otherwise.

Furthermore, to avoid accidental or unknowing violation of the law, we endeavor day by day to acquire knowledge of the laws relating to business affairs and to daily life. We strive to act with healthy social common sense and a sense of justice.

■ Corporate Social Responsibility

Through its business activities, Kyocera strives not only to provide a stable life to employees, but also to fulfill its social responsibilities by pursuing adequate profits and returning them to society via tax payments and dividends to shareholders.

At the same time, the company contributes to society through a variety of activities, including the promotion of environmental protection activities and the provision of support to social and cultural activities.

We ask all employees to engage diligently in the company's business with a full awareness that they are part of Kyocera, a company committed to fulfilling its social responsibilities, and to combine their active efforts to achieve the lofty goal of contributing to society by increasing profits and developing the company.

■ Awareness as an Employee

A company is a collective entity made up of the consciousness of all employees who work there. Each employee holds certain thoughts as he or she undertakes their work. The way of thinking and attitudes of all employees combine to become the corporate culture and climate, ultimately crystallizing in corporate performance.

Employees are asked to ascertain clearly the direction in which the company is heading, and the company goals. Based on that awareness, employees should attain a correct understanding of their role. Then, devote themselves on a daily basis to attaining a sense of responsibility, good faith, diligence, justice, fairness and other aspects of wonderful human nature, as explained in the Kyocera Philosophy. As individual employees grow, Kyocera, the sum total of individual growth, remains a company that is increasingly trusted and respected by society and customers.

Advancing Kyocera Philosophy Education

Since foundation of the company, Kyocera has practiced management based on the Kyocera Philosophy. The Kyocera Philosophy is the driving force behind Kyocera's development and thus it is essential that the Philosophy continues to be passed on correctly to employees.

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Advancing Kyocera Philosophy Education	<ul style="list-style-type: none"> Expand training on the Kyocera Philosophy Pocketbook II to all employees Present lectures (20 in total) on "The Spirit of Manufacturing" / Conduct training using the Kyocera Spirit of Manufacturing Pocketbook Implement education programs for employees new to the Kyocera Group Prepare training material archives for overseas training Implement fresh training on Amoeba Management 	<ul style="list-style-type: none"> Conducted training based on the Kyocera Philosophy Pocketbook II for all employees, including part-timers Presented 13 lectures on "The Spirit of Manufacturing" at various bases Conducted Philosophy education at the Kyocera Display Corp. Group Prepared training materials in Thai and other languages, and conducted Philosophy training for mid-level and general employees Implemented training on Amoeba Management for senior management, mid-level employees and general employees 	<ul style="list-style-type: none"> Establish an All-Company Philosophy Committee to heighten awareness and permeation of the Kyocera Philosophy Conduct Philosophy education adapted for circumstances in individual divisions and Group companies Enhance training programs aimed at application of the Philosophy Conduct ongoing training relating to the Kyocera Philosophy Pocketbook II Continue presenting lectures on "The Spirit of Manufacturing"

Philosophy Education Rationale

The Kyocera Group cultivates highly capable human resources who acquire the Kyocera Philosophy and contribute to the advancement and development of humankind and society, while pursuing the global development of Kyocera and the happiness of all employees through earnest efforts and a focus on creativity.

Philosophy Education System

To achieve permeation of the Kyocera Philosophy among all employees in the Kyocera Group, education bases are being established in the U.S.A., Europe, Asia-Pacific region and China. Periodic and systematic Philosophy education is being conducted for employees at all levels, from top management to part-timers. In FY2013, employees* attended courses 60,831 times in Japan; and 26,143 times outside Japan. Additionally, in FY2014 we are establishing an All-Company Philosophy Committee to heighten awareness and permeation of the Kyocera Philosophy throughout the Kyocera Group. Meanwhile, Philosophy education will be adapted to suit circumstances in individual divisions and Group companies.

* Results refer to training conducted by the Kyocera Training Division.

Enhance Philosophy Education Programs

Conduct training on the Kyocera Philosophy Pocketbook II

Repeated opportunity to study the Kyocera Philosophy is considered vital for permeation of the Philosophy, and to enable each employee to acquire knowledge from experience as well as apply it in daily life. Philosophy education is therefore being conducted regularly for all employees, including part-timers.

In FY2012, training based on the Kyocera Philosophy Pocketbook II (issued in April 2011) commenced for directors and senior management. The goal is to achieve correct understanding and support implementation of the topics in the Pocketbook. To broaden permeation of the Kyocera Philosophy, in FY2013 training was expanded to all employees, part-timers included.



Training session on the Kyocera Philosophy Pocketbook II

Lectures on “The Spirit of Manufacturing”

Lectures on “The Spirit of Manufacturing” are being held to ensure: (a) the Spirit of Manufacturing is traditionally handed down at workplaces; and (b) the ideal attitude and spirit of people responsible for production are being passed on correctly to the next generation. In FY2013, 13 lectures on “The Spirit of Manufacturing” were presented for managers and people in charge at production departments in various plants and offices. Spirit of Manufacturing lectures are being continued in FY2014. Meanwhile, the lectures are being edited into video training materials, for study sessions at individual workplaces.



Lecture on “The Spirit of Manufacturing”

Expansion of Philosophy Education in China

For the Kyocera Group in China, regular Philosophy training for employees at all levels is being conducted to support understanding and permeation of the Kyocera Philosophy. Training on “The Twelve Management Principles” and “Kyocera Management and Accounting Principles” — both based on the Kyocera Philosophy — is being implemented for senior management and mid-level employees. The objective is to enable each person to acquire the awareness and attitude needed as a manager.

Additionally, Chinese translations of the Kyocera Philosophy Pocketbook, Kyocera Management and Accounting Principles Pocketbook, and the Morals and Manners Pocketbook have been distributed to employees. These are being used during reading sessions at morning meetings for the further permeation of the Kyocera Philosophy.



General employee training (China)



Reading in turn during the morning meeting (China)

Kyocera Group Philosophy Essay

Kyocera calls on employees to submit Kyocera Group Philosophy Essays. The goal is to deepen understanding and raise awareness of the need for implementation of the Kyocera Philosophy, by linking it to personal experience. Essays submitted by employees are reviewed, and the authors of selected essays are awarded the Honorary Chairman's Prize, Chairman's Prize or President's Prize. Furthermore, prizewinners give presentations on their essays, and outstanding essays are compiled into a collection which is shared with other employees.



Essay presentation (China)

Implementing Philosophy Education in Various Languages

In FY2012 we established the Asia Management Research Institute at Kyocera Asia Pacific Pte. Ltd in Singapore. The institute is an education base for Vietnam, India and other countries in the Asia-Pacific region with great development potential. To advance permeation of the Kyocera Philosophy, study materials are being prepared not just in English, but in multiple languages including Vietnamese and Thai. In FY2013, we commenced training for mid-level and general employees using teaching materials in the Thai language.



General employee training (Thailand)

Philosophy Education for Employees Newly Admitted to the Kyocera Group

Understanding of the Kyocera Philosophy is considered essential for efficient work performance by employees newly admitted to the Kyocera Group. Philosophy training was conducted for employees of the Kyocera Display Corp. Group (formerly Optrex Corp.), which became a subsidiary in February 2012. At Kyocera Display (Zhangjiagang) Co., Ltd in China, training used introductory teaching materials giving an introduction to the company and easily followed explanations of the Kyocera Management Rationale and Corporate Motto, the structure of the Kyocera Philosophy, and other matters. Training on The Twelve Management Principles and Kyocera Management and Accounting Principles was also conducted for workplace leaders.



Group discussion (China)

Kyocera Group Corporate Social Responsibility (CSR)

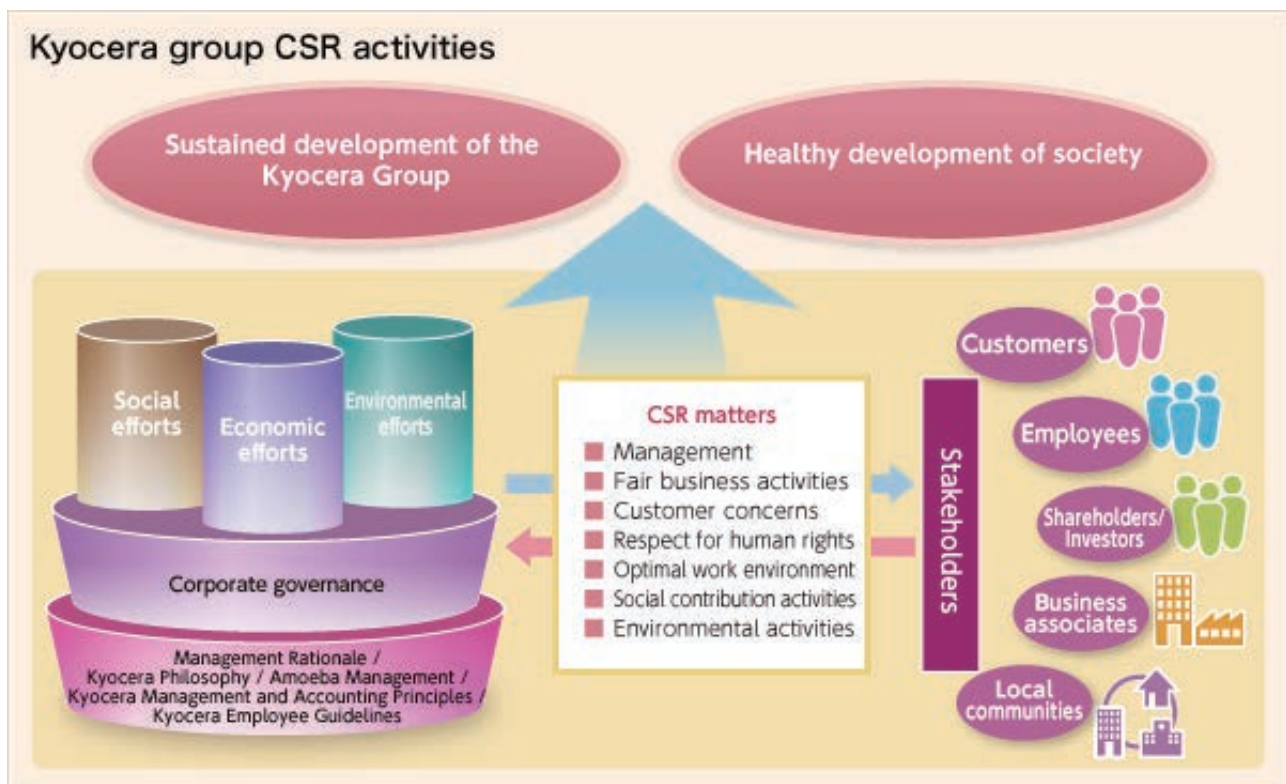
The Kyocera Philosophy is the heart of management in the Kyocera Group. We are engaged in organizational CSR activities based on the practice of the Kyocera Philosophy, and building mutual trust with people who have interests in the company.

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Enhance Communication with Stakeholders	<ul style="list-style-type: none"> Enhance communication with local stakeholders 	<ul style="list-style-type: none"> Held CSR Economic / Social / Environmental Report Meetings at 16 Kyocera Group bases in Japan (attended by 515 people) 	<ul style="list-style-type: none"> Continue presenting CSR Economic / Social / Environmental Report Meetings

CSR Activities Based on the Kyocera Philosophy

Shortly after its founding, Kyocera adopted its management rationale: “To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.” Management is based on the Kyocera Philosophy, which uses the concept “What is the right thing to do as a human being?” as its decision-making criterion. This also forms the basis for the Kyocera Group’s CSR activities.

Through implementation of the Kyocera Philosophy, we work to find solutions to corporate citizenship issues, build relationships of mutual trust with our stakeholders, and aim for the sustained development of the Kyocera Group. At the same time, we endeavor to contribute to the healthy development of society.



Participation in International Initiatives

The Kyocera Group is promoting globalization of CSR activities. This is being undertaken through ongoing improvements based on the international standard ISO26000, relating to social responsibility. Furthermore, the Kyocera Group concurs with and participates in the UN Global Compact's Ten Principles in the areas of human rights, labor, environment and anti-corruption.

ISO26000

Issued by the International Organization for Standardization in November 2010, ISO26000 is an international guidance standard concerning social responsibility. This standard is divided into seven core subjects that should be considered in implementation of CSR activities (organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, community involvement and development).

UN Global Compact

The United Nations Global Compact is a voluntary undertaking to build a global framework around 10 principles relating to protection of human rights, eradication of unfair labour practices, environmental responses, and prevention of corruption. By participating in the Compact and practicing accountable and creative leadership, individual corporations and organizations function as responsible members of society, and aim to achieve sustainable growth.

Human Rights

- 1: Businesses should support and respect the protection of internationally proclaimed human rights.
- 2: Businesses should make sure they are not complicit in human rights abuses.

Labour

- 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.
- 5: Businesses should uphold the effective abolition of child labour.
- 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Environment

- 7: Businesses should support a precautionary approach to environmental challenges.
- 8: Businesses should undertake initiatives to promote greater environmental responsibility.
- 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Enhance Communication with all Stakeholders

CSR Economic, Social and Environmental Report Meetings

CSR Economic, Social and Environmental Report Meetings have been held by the Kyocera Group (Japan) each year since FY2005. Their purpose is to raise the level of mutual communication with local communities — important stakeholders for the Kyocera Group.

Factories and offices invite local residents, government representatives, business associates, nearby companies and other people from the community to attend meetings where we provide participants with reports on the economic, social and environmental activities of the Kyocera Group as a whole and of the local facilities; along with exchanging views with the participants on CSR measures. In FY2013, 515 people took part at 16 bases in Japan.



Shiga Yasu Plant

Questions from Participants

Kyocera SLC Technologies Corp., Kyoto Ayabe Plant

Q. Cases of mental disorders have been increasing in recent years, and a growing number of young people are unable to continue long in employment due to these. What is your view on mental health?

A. Maintaining dialogue with employees and consideration of other matters on a day-by-day basis are vital for preventing mental illness. We are also examining ways of raising employee motivation.

Kyocera Crystal Device Hokkaido Corp.

Q. What steps are you taking regarding BCP?

A. The Kyocera Crystal Device Corp. Group is preparing countermeasures primarily for tsunamis and earthquakes. Basically, we are working toward enabling production at two or more bases. Additionally, we are building a network with administrations and enhancing communication systems.

Special Award Presented in the Corporate Philanthropy Awards

The Shiga Gamo Plant and Shiga Yohkaichi Plant received the Special Regional Cooperation Award, part of the 10th Corporate Philanthropy Awards sponsored by the public service organization the Japan Philanthropic Association. The awards commend corporations undertaking social contribution activities through effective use of management resources. They were established in 2003 with the objective of highlighting such activities as corporate activity models for the 21st century. The Special Award was presented to both plants for promotion of CSR activities in cooperation with local administrations over many years.



Presentation ceremony

CSR-DIW Contribution Award

The Ministry of Industry, Department of Industrial Works (DIW) in Thailand has presented Kyocera Crystal Device (Thailand) Co., Ltd (KCDT) with the CSR-DIW Contribution Award. The award was established to promote CSR undertakings by corporations operating in Thailand and to raise international competitiveness. KCDT was commended for environmental protection, contribution to society and other strong CSR activities.



CSR-DIW Contribution Award trophy

Goals and Results of CSR Activities

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Advancing Kyocera Philosophy Education	<ul style="list-style-type: none"> Expand training on the Kyocera Philosophy Pocketbook II to all employees Present lectures (20 in total) on “The Spirit of Manufacturing” / Conduct training using the Kyocera Spirit of Manufacturing Pocketbook Implement education programs for employees new to the Kyocera Group Prepare training material archives for overseas training Implement fresh training on Amoeba Management 	<ul style="list-style-type: none"> Conducted training based on the Kyocera Philosophy Pocketbook II for all employees, including part-timers Presented 13 lectures on “The Spirit of Manufacturing” at various bases Conducted Philosophy education at the Kyocera Display Corp. Group Prepared training materials in Thai and other languages, and conducted Philosophy training for mid-level and general employees Implemented training on Amoeba Management for senior management, mid-level employees and general employees 	<ul style="list-style-type: none"> Establish an All-Company Philosophy Committee to heighten awareness and permeation of the Kyocera Philosophy Conduct Philosophy education adapted for circumstances in individual divisions and Group companies Enhance training programs aimed at application of the Philosophy Conduct ongoing training relating to the Kyocera Philosophy Pocketbook II Continue presenting lectures on “The Spirit of Manufacturing”
Enhance Communication with Stakeholders	<ul style="list-style-type: none"> Enhance communication with local stakeholders 	<ul style="list-style-type: none"> Held CSR Economic / Social / Environmental Report Meetings at 16 Kyocera Group bases in Japan (attended by 515 people) 	<ul style="list-style-type: none"> Continue presenting CSR Economic / Social / Environmental Report Meetings
Sustain Corporate Governance and Internal Control Systems	<ul style="list-style-type: none"> Enhance corporate governance and internal control systems Expand internal control system audits 	<ul style="list-style-type: none"> Sustained corporate governance and internal control systems in accordance with policy Implemented internal control system audits focused on companies newly added to the Kyocera Group 	<ul style="list-style-type: none"> Enhance corporate governance and internal control systems Implement internal control system audits based on risk approach

Thorough Legal Compliance	<ul style="list-style-type: none"> ●Raise efficiency of office audits of legislative compliance ●Maintain the Independent Auditor Certification Examination for legislation audits ●Expand security trade control to Group companies ●Implement e-learning relating to protection of personal information 	<ul style="list-style-type: none"> ●Conducted office audits of legislative compliance at 48 Kyocera Group bases ●Began legislation audits at overseas Group companies ●Continued the Independent Auditor Certification Examination (155 people passed; now 822 auditors in total) ●Established and activated an STC (Security Trade Control) Committee for the Kyocera Group in Japan ●Examined the state of security trade control at overseas Group companies ●Implemented e-learning relating to protection of personal information (Basic Version / Practical Application Version) ●Conducted lectures on prevention of insider trading, for new employees and newly promoted employees 	<ul style="list-style-type: none"> ●Expand legislative compliance audits to overseas Group companies ●Introduce e-learning, and continue the Independent Auditor Certification Examination ●Construct a global comprehensive Security Trade Control system ●Continue providing e-learning relating to protection of personal information
Strengthen Risk Management	<ul style="list-style-type: none"> ●Implement education and training on BCP ●Expand BCP to Group companies ●Establish an integrated audit system throughout the Kyocera Group in Japan ●Strengthen security of the e-mail system 	<ul style="list-style-type: none"> ●Conducted education and training based on the prepared BCP ●Deployed BCP focused on production bases throughout the Kyocera Group in Japan ●Established an integrated audit system throughout the Kyocera Group in Japan ●Strengthened security of the e-mail system 	<ul style="list-style-type: none"> ●Continue education and training related to BCP ●Expand BCP to overseas Group companies ●Strengthen BCP measures relating to supply chains ●Establish internal audit systems for the Kyocera Group in China and Southeast Asia ●Implement security diagnoses of servers accessible from outside the company

Strengthen Supply Chain Management	<ul style="list-style-type: none"> ●Expand supplier seminars held outside Japan ●Build a control system for conflict minerals 	<ul style="list-style-type: none"> ●Held supplier seminars in Japan, China and Korea ●Held briefings for domestic business associates on measures for conflict minerals ●Surveyed domestic business associates on their use of conflict minerals 	<ul style="list-style-type: none"> ●Continue holding supplier seminars ●Survey overseas business associates on their use of conflict minerals
Advance Measures for Raising Quality and Customer Satisfaction Levels	<ul style="list-style-type: none"> ●Improve CS* Index with training in quality 	<ul style="list-style-type: none"> ●Held Kyocera CS Improvement Committee meetings & improved CS Index (18% improvement from FY2012) 	<ul style="list-style-type: none"> ●Hold Kyocera CS Improvement Committee meetings and further improve CS Index (24% improvement from FY2013)
Advance Measures Relating to Human Rights	<ul style="list-style-type: none"> ●Establish measures relating to raising awareness of human rights 	<ul style="list-style-type: none"> ●Implemented awareness-raising activities relating to human rights and labor during morning meetings, through announcements, reading in turn from the Kyocera Employee's Action Guideline, etc. ●Conducted legislation audits to ascertain the state of compliance with laws relating to human rights and labor 	<ul style="list-style-type: none"> ●Continue awareness-raising activities relating to human rights and labor during morning meetings, through announcements, reading in turn from the Kyocera Employee's Action Guideline, etc. ●Continue legislation audits to ascertain the state of compliance with laws relating to human rights and labor
Promote Respect for Diversity and Balance of Work and Life	<ul style="list-style-type: none"> ●Continue recruitment of new foreign graduates from abroad, and active hiring of foreign students studying in Japan ●Promote understanding of measures supporting a work-life balance 	<ul style="list-style-type: none"> ●Recruited 8 foreign graduates from abroad and foreign students based in Japan. Provided Japanese language training, regular interviews, etc. to help foreign recruits become familiar with the company. ●Provided information on systems relating to marriage, pregnancy, childbirth, child-rearing and other matters, in internal bulletins, and on the internal Web site ●Held seminars for section managers on steps to take when subordinates seek consultation relating to child-rearing ●Held information exchange meetings for employees involved in child-rearing 	<ul style="list-style-type: none"> ●Expand measures for supporting a work-life balance ●Develop awareness-raising activities to promote the careers of women in the workplace

Cultivate Human Assets	<ul style="list-style-type: none"> Expand the student base for the English Learning Program 	<ul style="list-style-type: none"> The goal was to raise the lowest levels of ability and aid achievement of a minimum score of 600 points on the ToEIC English test 	<ul style="list-style-type: none"> Planning and deployment efforts to learn the high language skills
Strengthen Management Relating to Safety and Health / Fire and Disaster Prevention	<ul style="list-style-type: none"> Reduce work-related injuries Japan: Reduce rate by 75% compared with FY2011 Overseas: Reduce rate by 75% compared with FY2011 Safety training revision for managers and supervisors Build support systems for overseas Group companies Prepare guide on legislation relating to safety and disaster prevention Raise lowest levels of 5S evaluation in workplaces 	<ul style="list-style-type: none"> Reduced work-related injuries Japan: Reduced rate by 51% compared with FY2011 Overseas: Reduced rate by 45% compared with FY2011 Implemented training using the Safety & Disaster Prevention Handbook Applied "Point and Call" seals to draw attention to hazardous areas Ascertained circumstances at overseas bases and provided guidance as needed Prepared a Safety and Disaster Prevention Legislation Handbook and strengthened control systems Revised the Contingency Planning Manual 5S minimum average evaluation points Kyocera Corporation: 89 points (improved 1% from FY2012) Domestic Group: 86 points (improved 8% from FY2012) Overseas Group: 80 points (no change from FY2012) Held seminars on mental health 	<ul style="list-style-type: none"> Reduce work-related injuries Japan: Reduce rate by 33% compared with FY2013 Overseas: Reduce rate by 15% compared with FY2013 Strengthen earthquake countermeasures Improve work environment Revise action plan for new influenza pandemics Raise 5S levels with targets set independently Revise training content and instruction methods; conduct mental health education, VDT operator education and employee health guidance

Achievement of Environment Vision 2020	<ul style="list-style-type: none"> ●Aggregate reduction of greenhouse gas emission [low-carbon society contribution factor] (FY2014 Factor 1 accomplished) 	<ul style="list-style-type: none"> ●Factor 1.01 (Goals accomplished one year early) 	<ul style="list-style-type: none"> ●To promote activities for accomplishing FY2021 Factor 3.
Promotion of Environmental Consciousness in Products	<ul style="list-style-type: none"> ●Creation of new “Kyocera Environmentally Friendly Products” ●Application of Kyocera’s Green Supplier System 	<ul style="list-style-type: none"> ●Certification of Kyocera Environmentally Friendly Products ●Certification of Kyocera Green Suppliers (number of certified companies: 667 suppliers) 	<ul style="list-style-type: none"> ●Creation of new Kyocera Environmentally Friendly Products (goal: 8 products) ●Application of Kyocera’s Green Supplier System
Promotion of Environmental Consciousness at Plants and Offices	<ul style="list-style-type: none"> ●Reduction of greenhouse gas emission, total energy consumption, water consumption and industrial waste discharge per net sales 	<ul style="list-style-type: none"> ●Reduction of greenhouse gas emissions per net sales (up 10.5% from FY2012) ●Reduction of total energy consumption per net sales (down 5.8% from FY2012) ●Reduction of water consumption per net sales (down 6.9% from FY2012) ●Reduction of industrial waste discharge per net sales (down 10.8% from FY2012) 	<ul style="list-style-type: none"> ●In all production sites, 1% or more improvement rate per net sales from FY2013 will be achieved in terms of greenhouse gas emissions, energy consumption, water consumption and waste discharge.
Environmental Communication with Local Communities	<ul style="list-style-type: none"> ●Expand Kyocera Group “Eco-Lesson” program ●Promote Kyocera’s forestation activities. 	<ul style="list-style-type: none"> ●Eco-Lessons provided at 203 elementary schools. ●Forestation activities started from Kyocera Headquarters. ●Participation in environmental events hosted by local governments. ●Fukushima Tanagura Plant received the Award for Promotion of Measures to Cope with Global Warming. 	<ul style="list-style-type: none"> ●Continuous implementation of Kyocera Group Eco-Lessons. ●Promotion of Kyocera’s forestation activities

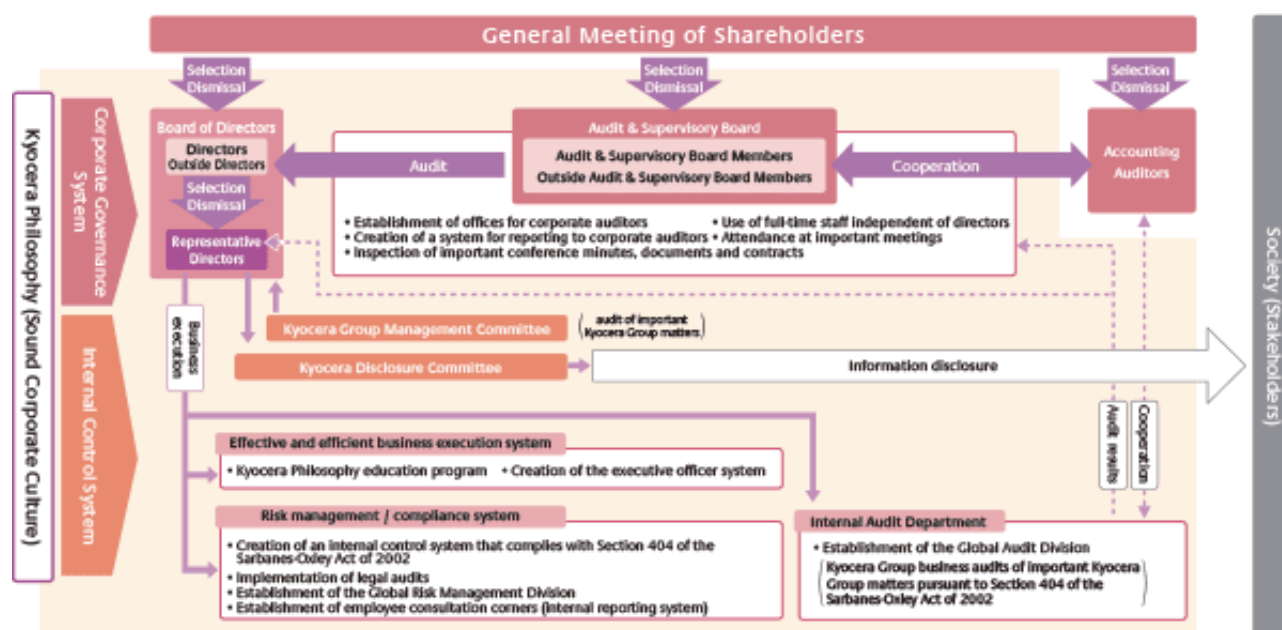
Corporate Governance

With the Kyocera Philosophy as its foundation, the Kyocera Group upholds equity and fairness, faces all situations with courage and conscience, and sustains highly transparent systems of corporate governance and internal control.

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Sustain Corporate Governance and Internal Control Systems	<ul style="list-style-type: none"> Enhance corporate governance and internal control systems Expand internal control system audits 	<ul style="list-style-type: none"> Sustained corporate governance and internal control systems in accordance with policy Implemented internal control system audits focused on companies newly added to the Kyocera Group 	<ul style="list-style-type: none"> Enhance corporate governance and internal control systems Implement internal control system audits based on risk approach

Corporate Governance and Internal Control Systems

The purpose of corporate governance and internal control in the Kyocera Group is to maintain management soundness and transparency, and to achieve fair and efficient management, through which we aim to realize the Management Rationale of the Kyocera Group. To establish a sound corporate culture, the Kyocera Group implements the following measures through the practice of the Kyocera Philosophy.



Corporate Governance System

1. Directors shall accommodate requests for reports by corporate auditors.
2. Internal audit departments shall provide regular reports to corporate auditors on the state of internal audits.
3. Establishment of the Kyocera Board of Corporate Auditors Reporting System to enable employees, suppliers, customers and other individuals or organizations associated with the Kyocera Group to report directly to the Board.
4. Corporate auditors have the authority to attend important meetings and to inspect important conference minutes, documents, contracts, etc. Corporate auditors may call for meetings with representative directors to exchange opinions concerning management of the Kyocera Group in general.

Internal Control System

1. Establishment of the Kyocera Disclosure Committee as a means for making timely and appropriate disclosure of management information outside the company.
2. Establishment of a Risk Management Division, as part of the Kyocera Group's risk management system.
3. Establishment of an Employee Consultation Hot-Line Center as part of the Kyocera Group's internal complaint system, where employees can report violations of laws, company regulations or other matters.
4. Introduction of an Executive Officer System to clearly delegate authority and related responsibilities; and construction of an effective and efficient business execution system.

Internal Control Audits of the Kyocera Group

As Kyocera is listed on the New York Stock Exchange, the company is subject to Section 404 of the Sarbanes-Oxley Act. Section 404 requires business operators to construct and maintain internal control systems relating to fiscal reporting. Section 404 assesses the effectiveness of internal control systems through internal audits based on internal control evaluation criteria.

Risk Management and Compliance

The Kyocera Philosophy places “What is the right thing to do as a human being?” as the decision-making criterion for all corporate matters. This most fundamental guide for action is shared by all employees. The Kyocera Employee’s Action Guideline has been prepared based on the Kyocera Philosophy, and forms the foundation of compliance.

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Thorough Legal Compliance	<ul style="list-style-type: none"> ●Raise efficiency of office audits of legislative compliance ●Maintain the Independent Auditor Certification Examination for legislation audits ●Expand security trade control to Group companies ●Implement e-learning relating to protection of personal information 	<ul style="list-style-type: none"> ●Conducted office audits of legislative compliance at 48 Kyocera Group bases ●Began legislation audits at overseas Group companies ●Continued the Independent Auditor Certification Examination (155 people passed; now 822 auditors in total) ●Established and activated an STC (Security Trade Control) Committee for the Kyocera Group in Japan ●Examined the state of security trade control at overseas Group companies ●Implemented e-learning relating to protection of personal information (Basic Version / Practical Application Version) ●Conducted lectures on prevention of insider trading, for new employees and newly promoted employees 	<ul style="list-style-type: none"> ●Expand legislative compliance audits to overseas Group companies ●Introduce e-learning, and continue the Independent Auditor Certification Examination ●Construct a global comprehensive Security Trade Control system ●Continue providing e-learning relating to protection of personal information
Strengthen Risk Management	<ul style="list-style-type: none"> ●Implement education and training on BCP ●Expand BCP to Group companies ●Establish an integrated audit system throughout the Kyocera Group in Japan ●Strengthen security of the e-mail system 	<ul style="list-style-type: none"> ●Conducted education and training based on the prepared BCP ●Deployed BCP focused on production bases throughout the Kyocera Group in Japan ●Established an integrated audit system throughout the Kyocera Group in Japan ●Strengthened security of the e-mail system 	<ul style="list-style-type: none"> ●Continue education and training related to BCP ●Expand BCP to overseas Group companies ●Strengthen BCP measures relating to supply chains ●Establish internal audit systems for the Kyocera Group in China and Southeast Asia ●Implement security diagnoses of servers accessible from outside the company

Building a Compliance System

Amid global development of business, the Kyocera Group is exposed to increasingly diverse domestic and overseas risks stemming from political, economic and social changes. The Kyocera Group is therefore engaging in various activities that make up a compliance system for providing appropriate responses to risks. Measures include implementation of legislative compliance audits, development of security trade control, and establishment of an employee consultation hot-line center (internal reporting system)

Thorough Legal Compliance

To support thorough compliance with legislation in the Kyocera Group, the Compliance Division notifies relevant divisions of enactment of new legislation and legislative amendments. Ongoing guidance on various laws is provided by relevant divisions responsible for compliance. Additionally, the Legal Audit Department regularly conducts legislation audits. By these means, the Kyocera Group is strengthening its compliance system.

Measures for Fair and Free Competition

The Kyocera Group complies with anti-monopoly laws and related legislation, and we are working to promote fair and free competition. For example, guidelines on compliance with anti-monopoly legislation were prepared and are already being used in employee training in Group companies in Japan, the U.S.A. and Europe. Furthermore, in February 2013 we issued the Kyocera Group Global Anti-Monopoly Legislation Compliance Manual for use throughout the Kyocera Group. The manual has been distributed to employees in Japan and overseas. In conducting employee training using the manual we are aiming for thorough awareness.



Kyocera Group Global Anti-Monopoly Legislation Compliance Manual

Security Trade Control System

The Kyocera Group complies with the Foreign Exchange and Foreign Trade Act and other regulations relating to international security. In addition, the Kyocera Group is establishing a system for heightening security trade control. The purpose is to prevent the outflow of components for weapons of mass destruction and arms, or products and technology that could be used for their production and development.

In FY2013, we set up the Domestic Group Company STC (Security Trade Control) Committee to achieve thorough legal compliance with the Foreign Exchange and Foreign Trade Act in addition to other export-related laws, by Group companies in Japan. Kyocera is now working to establish a global comprehensive Security Trade Control system that includes Group companies outside Japan.

Appropriate Information Disclosure

The Kyocera Group complies with regulations relating to the disclosure of information. The Group endeavors to provide appropriate information without falsehoods or expressions that invite misunderstanding, in accordance with social moral principles. Additionally, display of product labels and operating instructions, catalogs, sales promotion documents, advertisements and other materials by Kyocera is in line with the company standard as set out in our Public Document Verification Guidelines. We are building a check system for verification by the Quality Assurance, Legal, Intellectual Property and Corporate Communications divisions.

Protection of Personal Information

The Kyocera Group recognizes personal information as an important part of privacy and, as a responsible social citizen, does everything possible to safeguard such information. We have established the Kyocera Basic Policy on Personal Information Protection and built a control system. Personal information data is handled within strict requirements and training is conducted accordingly. The Kyocera Group is thereby attaining the highest possible security. In FY2013, e-learning was introduced to aid self-development study. A basic course on personal information was prepared for all employees, and a practical course has been prepared for employees who are entrusted with actually handling personal information.

Measures for Prevention of Bribery and Corruption

For the Kyocera Group, the basis of dealings with business associates is to always be fair and just, and to approach all manner of transactions in the spirit of fair play with the correct attitude as a human being. The Kyocera Employee's Action Guideline prohibits the excessive exchange of gifts, the provision and receipt of excessive entertainment, and other corrupt activities. The Guideline also forbids activities that depart from customary business practice.

Measures for Prevention of Insider Trading

Targeting prevention of insider trading, the Kyocera Group has prepared a control system and is aiming for full awareness by employees. Kyocera has set "Insider Trading Prevention Regulations," and is strengthening the internal information control system as well as regulations on trading of shares by employees. Additionally, an Insider Trading Prevention Handbook has been prepared and is distributed to all employees to ensure knowledge of the details of regulations. Strict control over internal information was maintained in FY2013. Lectures on insider trading prevention were included in training for new and newly promoted employees. Kyocera also raised awareness by informing employees of stock trading prohibition periods and other matters during morning meetings.

Measures for Exclusion of Antisocial Groups

The Kyocera Group policies on corporate governance and internal control include prevention of involvement in management activities by antisocial groups and prevention of damage by such groups. The basis of measures for exclusion of illegal activities is that "all companies are united in confronting illegal activities with determination." Meanwhile, the Kyocera Employee's Action Guideline clearly specifies "a decisive attitude based on the law" in dealing with illegal activities. The Kyocera Group is taking thorough steps to prevent such activities.

Protection of Intellectual Property Rights

The basic policy of the Kyocera Group is to safeguard the yields of research and development by the Group as intellectual property rights, and to respect the intellectual property rights of others. We assign liaison officers responsible for intellectual properties to main offices and plants. Their role is to smooth the processes of obtaining intellectual property rights, maintaining control of rights and negotiating licenses for intellectual property rights. The Kyocera Group is undertaking activities relating to intellectual property in close cooperation with the relevant businesses.

Approach Example

■ Measures for Dealing with Counterfeit Products

The Kyocera Document Solutions Inc. Group is implementing diverse measures in various countries of the world to protect customers from the harm caused by counterfeit products, and to enable product use with peace of mind. Vendors selling counterfeit products are warned and asked to pledge they will no longer handle them. They are requested to destroy stocks and reveal the names of their suppliers. By these and other means Kyocera Document Solutions endeavors to prevent growth in circulation of counterfeit products. The Group is also using hologram seals to distinguish between genuine and fake products, making it easy to determine whether a product is authentic.



Product with hologram seal attached

Establishment of Employee Consultation Hot-Line Center (Internal Reporting System)

Kyocera Group employees can consult the Employee Consultation Hot-Line Center on diverse issues. Employees can seek advice and consult on diverse matters of doubt, and report actions that are or may be in violation of laws and internal regulations relating to human rights, labor, safety and health, environment, fair business practices, etc. Measures for protection of individual privacy are clarified, and employees can consult the Hot-Line Center directly by telephone, e-mail or other means. Details of the consultation are investigated and ascertained in cooperation with the relevant divisions. This is followed by corrective action and preventive measures against recurrence. At Kyocera, consultations were undertaken on 30 matters in FY2013, and steps toward resolution were taken in each case.

Legal Audit System

As part of construction of a compliance system for the Kyocera Group, legislation audits are conducted at all Kyocera Group bases in Japan to ascertain the state of legal compliance. The legal audits consist of independent legislation self-auditing conducted annually by divisions, and regular office legislation audits undertaken by the Audit Division. From FY2013, we are also examining legislative compliance systems at overseas Group companies.

Furthermore, in FY2011 Kyocera introduced an Independent Auditor Certification System as a means of raising the accuracy of legislation self-audits. The Certification System is a combination of classroom lectures, tests, exercises and practical examinations. A further 155 people were certified in FY2013, raising the total number of qualified personnel to 822. The Independent Auditor Certification System will now be progressively introduced in Group companies throughout Japan.



Explanation of legal audit planning
(Kagoshima Kokubu Plant)

Business Continuity Planning (BCP)

In addition to ongoing activities aimed at prevention or mitigation of disasters, the Kyocera Group is strengthening measures for continuation of business activities to enable continued supply of products and services to customers. In FY2013, Kyocera took step-by-step action in each region based on earthquake potential. This included fastening down crucial equipment, procurement of materials needed for repairs, and securing alternative means of production. Regarding procurement of important raw materials and parts, we are evaluating substitutes and advancing procurement from multiple suppliers. Based on prepared BCPs, Kyocera has also begun training exercises to ensure the safety of people and to secure a steady path from prevention of secondary disasters to restoration of business activity. In addition to continuation of BCP training, these activities are being expanded throughout the Kyocera Group. BCP measures for supply chains are being strengthened in cooperation with business associates. Overall, we are reinforcing the business continuity system to prevent stoppages in production activity in the event of a disaster.

Information Security Measures

Concerning information assets handled by employees and other parties, the Kyocera Group is clarifying basic matters that must be complied with and constructing a management system. The Group is thereby focusing on effective and efficient use of information assets.

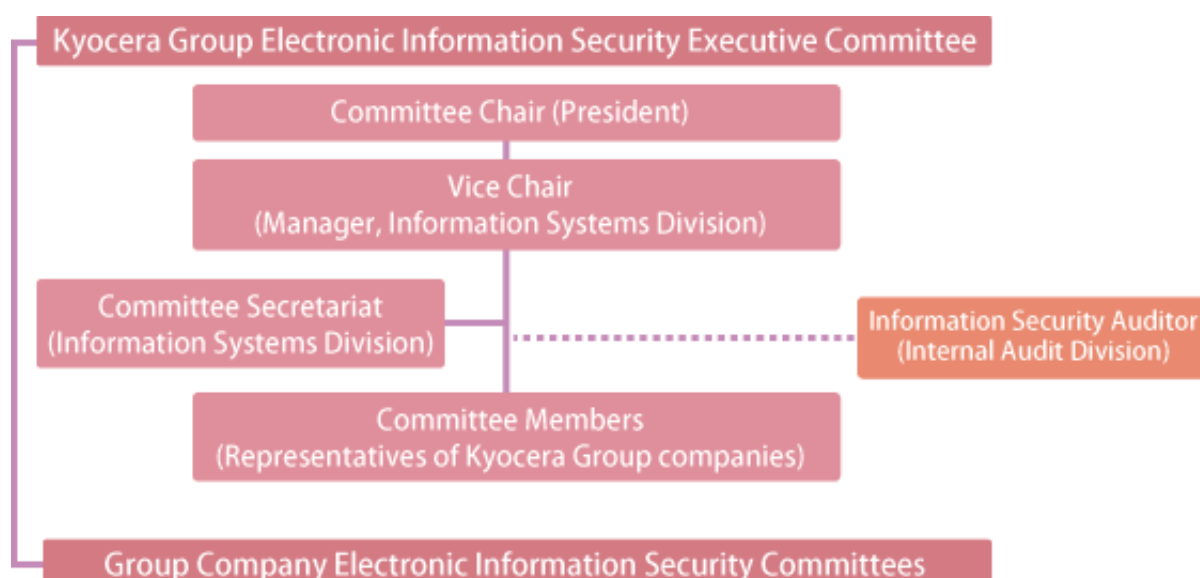
Preparation of Electronic Information Security Management Policy & Regulations

With thorough protection of information assets as the objective, we are setting Electronic Information Security Management Policy for the entire Group and related management regulations. Based on the policy and regulations, all companies in the Kyocera Group are preparing specific company regulations to be observed in their respective companies. In response to the recent rapid advances in IT technology, Kyocera prepared the "Smart Device Management Regulations" in FY2013. These regulations cover smartphones, tablet terminals and other devices used for business purposes. The regulations will be reviewed periodically for ongoing enhancement of information security measures.

Electronic Information Security Management System

An Electronic Information Security Executive Committee with Kyocera's president as committee chair has been established for the Kyocera Group. The committee implements regular information security training, internal audits and other procedures to ensure employees have thorough knowledge of technological countermeasures and security policy.

In Kyocera, education on information security is conducted as part of training for employees newly admitted to the company. Additionally, ongoing training and awareness activities relating to information security are conducted for all employees. Kyocera is thus promoting measures for maintaining the security awareness of each employee at a high level. Meanwhile, to further strengthen security management in the Kyocera Group in Japan, in FY2013 we set up an integrated audit system within the Group and began monitoring the state of implementation of compliance regulations. Internal audits will be maintained, and in FY2014 the scope will be expanded with establishment of internal audit systems in China and Southeast Asia. Furthermore, security diagnoses of servers accessible from outside the company will be implemented at any time.



Supply Chain Management

Kyocera regards business associates as “valued partners” and places great importance on joint growth and mutual improvement. For instance, by receiving active suggestions for improvements from business associates, both parties can apply knowledge and insight toward enhancing the quality, environment, delivery time and cost of a product or service.

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Strengthen Supply Chain Management	<ul style="list-style-type: none"> Expand supplier seminars held outside Japan Build a control system for conflict minerals 	<ul style="list-style-type: none"> Held supplier seminars in Japan, China and Korea Held briefings for domestic business associates on measures for conflict minerals Surveyed domestic business associates on their use of conflict minerals 	<ul style="list-style-type: none"> Continue holding supplier seminars Survey overseas business associates on their use of conflict minerals

Construct Partnerships with Business Associates

For our business associates, procurement departments are windows into the company. We must constantly be wary of the buyer’s logic, or the logic of a party in a stronger position. To consistently engage in fair purchasing activities, we have adopted the following rationale: “Purchasing people are representatives of the company, so always be fair and upright. Purchasing people must become a reliable and valuable division by making conscious efforts to thank others and humbly reflect our own behaviors.”



Furthermore, to deepen understanding of Kyocera’s basic approach to business transactions, we actively visit suppliers and use various opportunities for communication. In this way, we are building partnerships based on mutual trust.

Supplier Selection Policy

Kyocera has set a Supplier Selection Policy. When a prospective new supplier seeks to conduct business with Kyocera, that supplier is asked to provide a report giving a general overview of the company, and to complete a questionnaire about environment-related activities. The supplier is assessed and then selected or turned down based on these materials and various findings as established in the Supplier Selection Policy. Similarly, established suppliers are periodically surveyed, assessed and reviewed.

- Whether the fundamental thinking of the Kyocera Group is understood.
- Whether the thinking of the business operator and the management rationale of the prospective supplier are acceptable to Kyocera.
- Whether the company aims to improve management ability, technological strength and manufacturing ability; and whether business management is appropriate and stable in terms of scale and finances (e.g.: VA*1 / VE*2 proposal strength) .
- Whether the company excels in such areas as quality, price, delivery time, service response, etc. (e.g.: ISO9000 series or equivalent quality management systems; lead-time reduction activity).
- Whether the company is seriously involved in global environmental conservation activity (e.g.: ISO 14001 certification).

*1Value Analysis

*2Value Engineering

Holding Supplier Seminars

Each year, business associates are invited to supplier seminars at Kyocera. The purpose is to give suppliers a better understanding of the Management Direction, business policies and other facets of the Kyocera Group, and to ask for further cooperation.

In FY2013, supplier seminars were held in Japan (Shiga and Kyoto), and also in China and Korea. Some 628 representatives of 432 companies took part.

During the supplier social gathering held in March 2013, awards were presented to eight companies for their particular cooperation in such areas as quality, price and delivery over a year of business transactions.

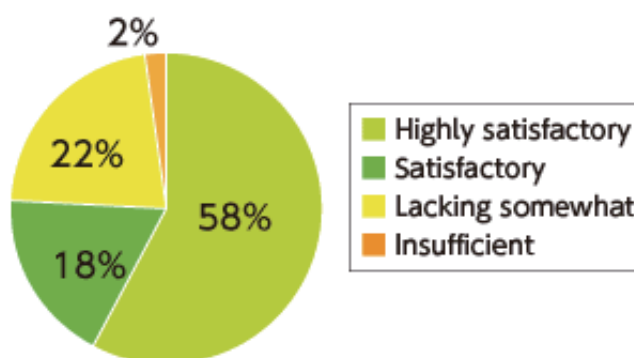


Supplier seminar (Kyoto)

Supply Chain CSR Questionnaire

Kyocera sends copies of the Supply Chain CSR Promotion Guidebook to business associates. Our goal is to gain their understanding of Kyocera's thinking on CSR and to ask for cooperation in furthering our CSR activities. Additionally, new business associates are asked to complete a Supply Chain CSR Questionnaire based on the guidebook. Using the questionnaire, we try to ascertain the current state of their CSR measures relating to human rights, labor, safety and health, environment, fair operating practices, ethics and other areas.

In FY2013, 76% of our business associates assessed themselves as "Highly Satisfactory" or "Satisfactory." Kyocera will continue promoting activities to encourage active implementation of CSR measures by business associates.



Supply chain CSR survey results

Compliance with the Subcontract Act

To achieve thorough compliance with the Subcontract Act, Kyocera continually implements internal training relating to subcontract transactions, for people and business divisions involved in procurement. We have also established a system for application and control, to be followed in day-to-day business affairs. Meanwhile, procurement departments and audit departments are working to ensure thorough compliance by conducting periodic audits.

Measures on Conflict Minerals

In the Democratic Republic of Congo and neighboring countries, conflict minerals may serve as funding sources for militia groups committing human rights abuses. Kyocera policy is not to purchase conflict minerals, or materials and products using metals made from conflict minerals.

In August 2012, following announcement of detailed regulations relating to the conflict minerals provision in the U.S.A. financial regulatory reform bill, the Kyocera Group (in Japan) decided on the essential points of an internal survey and endeavored to attain thorough awareness of the provision content. In January 2013, briefings were held for 658 business associates (companies in Japan) of the Kyocera Group (in Japan). The survey commenced in February. Next, the Kyocera Group will conduct surveys of business associates outside Japan. Responses returned by business associates are being analyzed, and subsequent measures will be considered.

Case Example

■ Approach by Overseas Group Company

As the leading supplier of tantalum capacitors, AVX Corporation, a consolidated subsidiary of Kyocera in the United States, has continued its efforts to keep conflict minerals out of the supply chain. AVX Corporation announced that as of December 1, 2011 all its current tantalum powder and wire suppliers were fully compliant with the independently-audited Conflict-Free Smelter Program (CFS). AVX will continue to exclusively use tantalum powder and wire from conflict-free compliant smelters in accordance with the principles of the Dodd-Frank legislation and current Organization for Economic Co-operation and Development (OECD) guidelines.

Approaches to Raising Quality and Customer Satisfaction Levels

Thorough application of the “Customer-First” Principle is a top priority of the Kyocera Group — we are constantly working to further enhance product quality, and provide customers with products and services that bring complete satisfaction and enjoyment. By these means, the Kyocera Group is striving to earn trust and contribute to society.

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Advance Measures for Raising Quality and Customer Satisfaction Levels	●Improve CS* Index with training in quality	●Held Kyocera CS Improvement Committee meetings & improved CS Index (18% improvement from FY2012)	●Hold Kyocera CS Improvement Committee meetings and further improve CS Index (24% improvement from FY2013)

* CS: Customer Satisfaction

Approaches to Quality Improvement

Kyocera Quality Policy

1. Kyocera places top priority on our environmental management and product safety systems.
2. Kyocera provides products and services to our customers that exceed their expectations by putting them first.
3. Kyocera aims to be a world leader in quality by doing every job right the first time.

The Kyocera Group has established the Kyocera Quality Policy to achieve production of quality goods that fully satisfy our customers’ needs. We develop our businesses on the basis of this Quality Policy, and aim to always be an enterprise that is worthy of trust throughout the world. Moreover, to provide a high level of satisfaction to our customers, Kyocera is doing everything possible to ensure observance and correct application of the rules, starting at the planning stages.

Quality Management System

To realize the Kyocera Quality Policy, we are taking the following three measures to strengthen and improve the Quality Management System:

- Ongoing improvement of the Quality Management System in accordance with ISO9001 and other standards
- Set quality targets in each business division based on the Management Direction and Quality Policy, then prepare plans and implement improvement activities to reach targets
- Use Kyocera CS Improvement Committee activities to advance measures for prevention of quality problems and prevention of recurrence

Kyocera CS Improvement Committee

Chaired by Kyocera's president, the Kyocera CS Improvement Committee has representatives of each business division in the Kyocera Group (Japan) serving as committee members. The Committee meets once a month to advance improvement of the CS Index in each business segment. Specific actions include the sharing of information on quality among divisions, prevention of quality problems before they occur, and prevention of recurrence.



Kyocera Product Safety Policy

1. Kyocera is fully acquainted with the latest information related to product liability and product safety.
2. Kyocera maintains an industry-leading standard of product safety.
3. Kyocera systematically practices product safety in accordance with manuals.

Safety is the utmost priority for all products made or sold by Kyocera. Regardless of form or function, they must not endanger a person's life or well-being, nor inflict damage on property. From this perspective, Kyocera has set a Product Safety Policy, in addition to its Quality Policy.

Kyocera established Product Safety System Guidelines as a concrete code of action at all levels of corporate activity. Additionally, the Guidelines for Product Safety Labeling serve as supplementary guidelines for understanding international standards relating to safety labels.

Response to Accidents Involving Products

Kyocera has clarified emergency contact numbers for response in the case of a serious accident involving our company's products. The system enables immediate notification of reports from customers. At the same time, the Consumer Affairs Agency is promptly advised of any matters, and information is disclosed through relevant Web sites and other media.

Approaches to Raising Customer Satisfaction Levels

Action by the Customer Support Center

The Kyocera Group operates a Customer Support Center (Call Center) to handle mainly matters concerning products for general consumers. By responding earnestly, correctly and promptly to customer inquiries, consultations, complaints and other issues, the Kyocera Group aims to raise the level of customer satisfaction.

Valuable information and inquiries received from our customers are promptly reported to top management and shared among the relevant business segments. The information received is used to improve the quality of our products and services.

Kyocera received 34,262 inquiries in FY2013.

Safeguarding Customer Personal Information

In the Kyocera Group, the personal information of customers is as a rule obtained directly from customers, upon agreement with the customers, and only after clarification of the purpose for which it would be used is provided. Personal information stored by the Kyocera Group is handled appropriately in accordance with strict controls based on the Electronic Information Security Management Policy and associated regulations.

Efforts of Universal Design

Kyocera Document Solutions Inc. manufactures printers, multifunctional products (MFPs) and other products that are user-friendly for people with disabilities and senior citizens. Throughout the development processes, from product planning and design to manufacturing and sales, we conduct research on product improvement for increased usability based on perspectives of diverse customers, including people with disabilities and senior citizens. For example, developers undertake various practical experience and verification tests with the purpose of realizing greater functional convenience and better design. Such measures include putting on heavy kits that assume the physical constraints certain elderly people face, and operating the products while constrained to a wheelchair.



Approaches to Raising Quality and Customer Satisfaction Levels (Example)

Fraunhofer Institute Tests Confirm PID Resistance of Kyocera Solar Modules

In Potential Induced Degradation (PID) resistance tests conducted by the Fraunhofer Institute's Center for Silicon Photovoltaics, Kyocera solar modules were shown to have zero power output degradation. The Center subjected solar modules produced by 13 companies to an original high voltage load test. Module surfaces were covered with aluminum foil, and the modules were then exposed to 50°C, relative humidity 50% and high voltage of 1000V for 48 hours. The Center announced that of the 13 companies' products tested, only modules by four companies showed zero power output decline. Kyocera will continue to strive for high quality and high reliability.

Commencement of Storage Battery System and HEMS Installation Seminars

Kyocera Solar Corporation (KSC) began holding Storage Battery System and HEMS* Installation Seminars in July 2012 to train technicians in the practical installation of such systems. During seminars conducted in July at six locations in Japan, lectures focused on system outlines, installation methods and points to note in installation. KSC will continue working to enhance installation quality through active cooperation with technicians.

* HEMS: Home Energy Management System



Installation seminar

Implementing Practical Skills Training

From FY2013, Kyocera Communication Systems Co., Ltd (KCCS) has been expanding practical training to include people in partner enterprises operating wireless base stations and other sites. The objective is to raise the level of engineering skills while also preventing worksite accidents and errors. During a three-day training session held in January 2013, 20 people from KCCS, KCCS Mobile Engineering Co., Ltd and seven partner enterprises learned about antenna adjustment, cable installation methods, and other matters. KCCS continues to provide ongoing training to develop human resources and raise the level of engineering know-how.



A practical training session

Smart Sonic Receiver® Earns “Best of What’s New Award” from Popular Science Magazine

A ceramic piezoelectric actuator developed by Kyocera transmits clear voice quality to the user directly through vibrations in the handset’s display screen, eliminating the need for a traditional speaker. This new technology is called the Smart Sonic Receiver®, and it was selected for the “2012 Best of What’s New Awards (Gadget Category)” presented by the science and technology magazine, Popular Science. The magazine was first published in 1872 in the U.S.A., and it now boasts a circulation of about 1.3 million. Editors and contributing writers select 100 innovative new products and technologies from thousands of products and technologies gathered from around the world. Smart Sonic Receiver® was highly evaluated for comfort, convenience and high sound clarity compared with traditional mobile phone speakers.



URBANO – by au (Japan)



DIGNO® R – by SoftBank (Japan)



Torque – by Sprint (U.S.A.)



Hydro XTRM – by U.S. Cellular (U.S.A.)

A smartphone equipped with the Smart Sonic Receiver® (2013 model)

MEW-type End Mills Win JCMTA Award

MEW-type milling cutters, a new generation of end mills developed by Kyocera, won the Technological Achievement Award in the 2012 JCMTA (Japan Cemented Carbide Tool Manufacturers Association) Awards. The JCMTA Awards were established in 1978 to acknowledge exceptional technological development and improvements in the carbide tool industry. The award-winning MEW end mill was commercialized for its potential to raise the levels of material technology, application technology, production technology and other areas. Kyocera’s reception of the award was based on the high assessment of the MEW’s capacity to achieve stable and highly efficient end mill processing, in addition to its outstanding economical performance. Kyocera has now received the Technological Achievement Award for five consecutive years.



MEW-type end mill and two-faced, four-cornered chips

ECOSYS Printer Wins German Design Award

The monochrome printer ECOSYS FS-4300DN Series, produced by Kyocera Document Solutions, Inc., won the iF Product Design Award 2013 (Office & Business Category) sponsored by iF International Forum Design GmbH in Hanover, Germany. Industrial products are submitted from all over the world and assessed for design, function, operability and other features of quality, as well as environmental friendliness. The international award has been presented for outstanding products over more than half a century. This printer series was acclaimed for its original design, high functionality and environmental friendliness.



ECOSYS FS-4300DN Series

Latest Ceramic Knife Wins Award for First Time in U.S. Design Contest

The new ceramic knife sold in overseas markets, the LTD-160, won for the first time an award in the “Cutlery & Cutting Tool” category of the 2013 Housewares Design Awards. The design contest commends new products in staple household wares which feature outstanding design. This is the 10th year of the awards. The design of the award-winning ceramic knife LTD-160 centered on an image of the traditional Japanese kitchen knife. The design focuses on ergonomics and was highly evaluated for the ease of use of the handle, as well as other aspects.



Award-winning ceramic knife LTD-160

Technology Award Received from Japanese Society for Biomaterials

Kyocera Medical Corporation was awarded the Technology Award by the Japanese Society for Biomaterials for the MPC polymer technology used in the company's artificial hip joint product, “Aquala® Liner.” MPC polymers have the same molecular structure as human cell membranes, and this technology has enabled the world's first successful graft polymerization to create a sliding surface for artificial joints. The Society highly assessed the technology for “development of long-life artificial hip joints based on a new biomaterial design.”



Awards ceremony

Respect for Human Rights and Diversity

The Kyocera Group has established and is taking action based on the following personnel vision: “To work continually on appropriate operation and improvement of various personnel measures. To create a workplace environment in which all employees can take pride in the company and feel that their work is worthwhile, while sharing both hardships and joys. To thereby contribute to achieving the Management Rationale.”

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Advance Measures Relating to Human Rights	<ul style="list-style-type: none"> Establish measures relating to raising awareness of human rights 	<ul style="list-style-type: none"> Implemented awareness-raising activities relating to human rights and labor during morning meetings, through announcements, reading in turn from the Kyocera Employee's Action Guideline, etc. Conducted legislation audits to ascertain the state of compliance with laws relating to human rights and labor 	<ul style="list-style-type: none"> Continue awareness-raising activities relating to human rights and labor during morning meetings, through announcements, reading in turn from the Kyocera Employee's Action Guideline, etc. Continue legislation audits to ascertain the state of compliance with laws relating to human rights and labor
Promote Respect for Diversity and Balance of Work and Life	<ul style="list-style-type: none"> Continue recruitment of new foreign graduates from abroad, and active hiring of foreign students studying in Japan Promote understanding of measures supporting a work-life balance 	<ul style="list-style-type: none"> Recruited 8 foreign graduates from abroad and foreign students based in Japan. Provided Japanese language training, regular interviews, etc. to help foreign recruits become familiar with the company. Provided information on systems relating to marriage, pregnancy, childbirth, child-rearing and other matters, in internal bulletins, and on the internal Web site Held seminars for section managers on steps to take when subordinates seek consultation relating to child-rearing Held information exchange meetings for employees involved in child-rearing 	<ul style="list-style-type: none"> Expand measures for supporting a work-life balance Develop awareness-raising activities to promote the careers of women in the workplace

Respect for Human Rights

Aside from compliance with the laws of individual countries, the Kyocera Group implements measures in accordance with the United Nation's Universal Declaration of Human Rights, the Fundamental Human Rights Convention by the International Labor Organization (ILO) and other international conventions. In 2011, the Kyocera Group formally joined the United Nations Global Compact, a global platform setting out 10 fundamental principles relating to human rights, labor, environment and anti-corruption. As stated in these international conventions, the Kyocera Group explicitly prohibits the use of forced labor and child labor, as well as discriminatory treatment on the basis of gender, age, beliefs, nationality, physical features, etc. The Kyocera Group is also working to prevent power harassment and sexual harassment in the workplace.

In addition, the Kyocera Group endeavors to exchange views and share information with employees through organizations such as labor unions and workplace associations. The Kyocera Group promotes development of a comfortable work environment that fosters motivation.

Measures Relating to Human Rights and Labor

To raise employee awareness concerning human rights and labor, time at morning meetings in Kyocera is set aside for announcements on matters requiring compliance in the workplace. Reading in turn about related issues from the Kyocera Employee's Action Guideline, which is distributed to all employees, is also an ongoing activity. Additionally, the Human Resources Department conducts independent checks for contravention of laws in day-to-day business affairs, while the Legal Audit Department regularly implements legislation compliance audits. By these and other means, Kyocera is striving for thorough compliance.

One Approach

■ Measures for Human Rights in Supply Chain Management

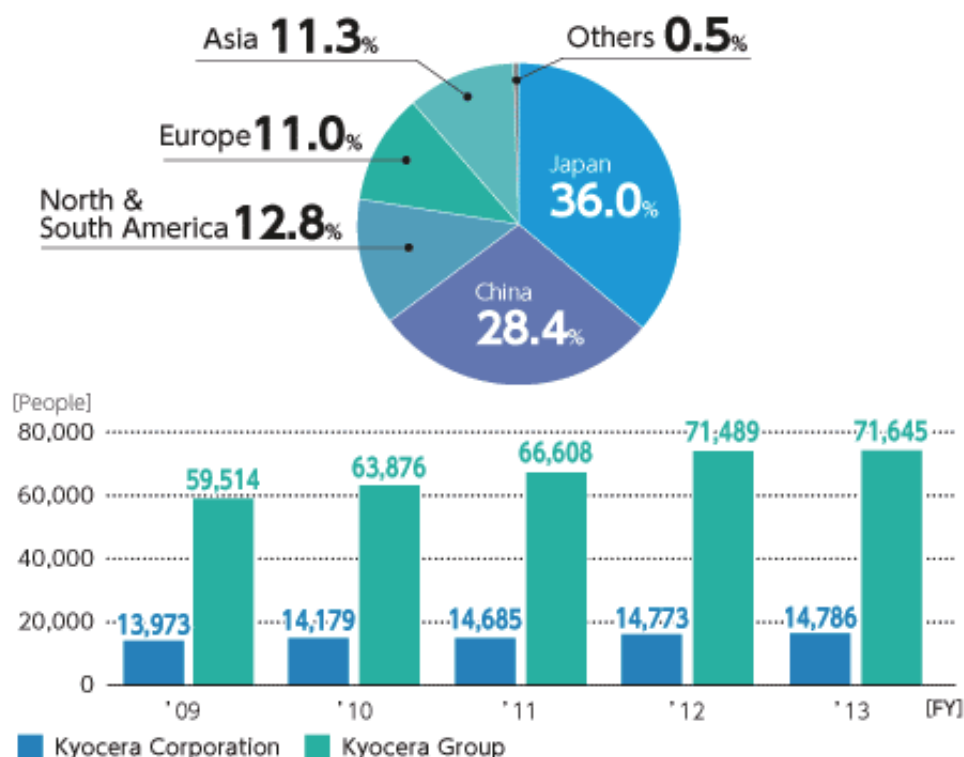
In the Democratic Republic of Congo and neighboring countries, conflict minerals may serve as funding sources for militia groups committing human rights abuses. Kyocera's policy is not to purchase conflict minerals or materials, products, etc. which use metals derived from conflict minerals. We conduct surveys of business associates on the matter of conflict minerals.

Respect for Diversity / Balance of Work and Life

Adapting to Globalization

Since Kyocera's first overseas office was established in 1968 (U.S.A.), localization has been the basic principle of recruitment. The Kyocera Group has always tried to appoint local employees to management positions. In Kyocera, we hire and train people who can take responsibility for global deployment in the future. From that perspective, in FY2013 we also hired graduates directly from universities and graduate schools in China. Additionally, Kyocera will continue to recruit students who come from abroad to study in Japan.

Ratio & No. of Employees by Region (as of March 31, 2013)

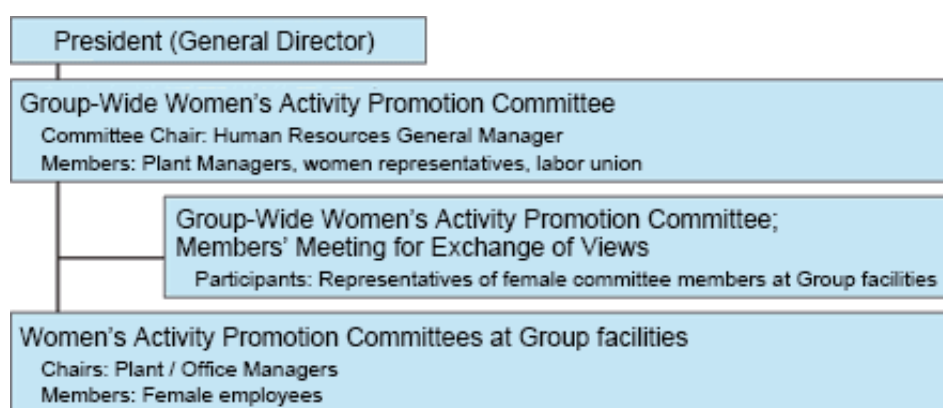


Promoting the Careers of Women in the Workplace

Kyocera has established a Women's Activity Promotion Committee with female employees taking the lead in developing activities. The objective is to build a workplace climate in which female employees increasingly put their abilities to the best use. Specifically, training is implemented to reform the awareness of each female employee, and exchange meetings are held with women employed by other companies. Additionally, section managers undergo training to support the cultivation of female employees. Information useful in raising awareness is distributed regularly. With these and other approaches, Kyocera is working to promote the active involvement of women throughout the workplace.

In FY2013, seminars were held to train section managers to provide appropriate responses when they are approached by subordinates seeking advice on the use of systems relating to child-rearing. Details of the seminars were posted on the internal Web site.

Kyocera also participates in running the Women's Networking Forum, an organization jointly sponsored by corporations in the Kansai region of Japan to promote involvement by women. Kyocera actively promotes involvement of women within the company and in society.



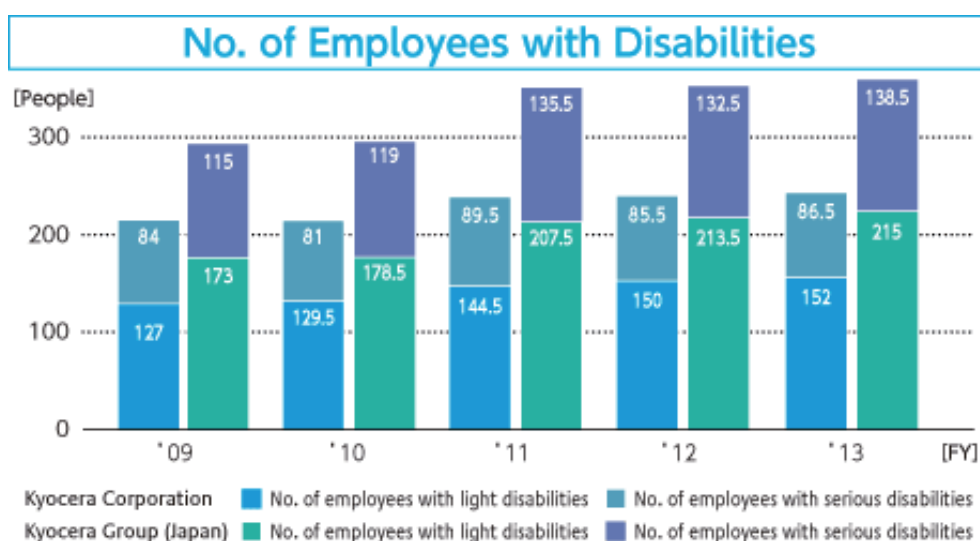
Women's activity promotion system

Main activities of the Women's Activity Promotion Committee

Goals	Activities
Provide opportunities for employees to gain confidence in the workplace by constructing an internal network of female employees and through exchange of opinions.	Opinion exchange meetings for female employees
	Exchange meetings with women of other companies
	Discussion meetings of section managers concerning women in their groups
Provide opportunity to draw images of the future and raise motivation for work	Hold exchange meetings for working mothers
	Lectures by female managers of other companies
	Career design training for female employees
Provide opportunity for section managers to acquire and learn the appropriate mindset and responses needed to make better use of women's abilities	Seminars for section managers to promote women's activities
Promote awareness reform and understanding throughout the workplace	Distribute awareness-raising information through the internal bulletin, Web site, etc.

Employing People with Disabilities

Kyocera actively promotes an environment that supports the employment of people with disabilities and also makes it easier for them to work. Each employee is assigned to a workplace upon consideration of aptitude, the nature of the work, and other matters. In line with revision of the legislated hiring ratio in April 2013, Kyocera is developing an action plan to achieve the required ratio. All companies in the Kyocera Group are becoming even more united in actively providing employment opportunities for people with disabilities.



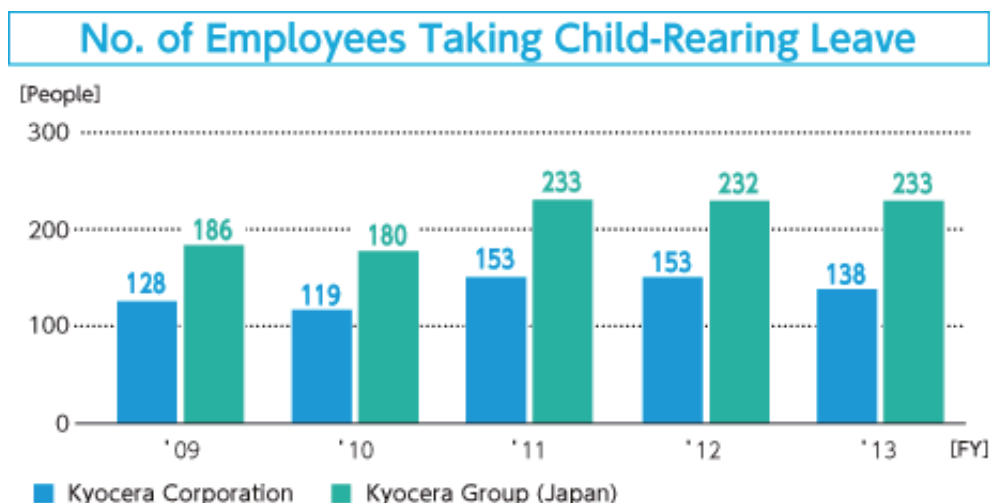
Measures for Child-Rearing and Nursing Care

To support the balance of work and home life, Kyocera is introducing a child-rearing leave system. In FY2013, 138 employees used the system.

Additionally, a family nursing care leave system that surpasses legal requirements enables employees to take a maximum of one year off work to nurse family members. Meanwhile, a shortened workday system is available for pregnant employees and employees raising children, through the third year of elementary school. In FY2013, 136 people used the system.

Furthermore, Kyocera provides a daycare subsidy system with an annual subsidy of up to ¥200,000 yen per child. The system is available for use when the employee would normally have needed to take time off work to take a child to or from nursery school, or on school holidays, etc.

Name of System	Designated by Law	Kyocera Corporation Standard
Shortened Workday System	To starting date of elementary school	To end of elementary school year 3
Family Nursing Care Leave System	3 months	1 year



Approaches to Stimulating Communication

Holding Company Events & After-Work Social Gatherings (“Compa”)

In the Kyocera Group, we believe there is a need for relationships of mutual trust between employees — they type of trust that might be found in families. Company-sponsored events and “compa” are considered vital means of building such trust.

Kyocera Group “compa” are not simply social gatherings, they are opportunities for interaction aimed at strengthening mutual understanding on reaching specific objectives. This understanding can be attained, for example, by deepening discussion on work-related issues, and by participants declaring their goals. Company-sponsored events and “compa” are good opportunities for communicating with directors and managerial employees, as well as people from other divisions with whom there is little day-to-day interaction. Such interaction offers the chance to build mutual acquaintance, to deepen friendship and strengthen bonds.

Approach to Labor-Management Relations

At Kyocera, great emphasis is put on building relationships based on trust and heart-to-heart bonds among employees. Labor-management relations at Kyocera go beyond the generally accepted idea of harmony between management and labor. At Kyocera, the basis of the relationship is “coaxial labor and management,” where perspectives are shared on the same level. We carry out sports meets, summer festivals and many other kinds of events that stimulate and sustain such relations through unity.

In Europe, the U.S.A., China and other countries, Kyocera continues to maintain appropriate labor relations via thorough labor-management consultation, in accordance with labor laws of individual countries. Labor and management on the same axis is the key for successful labor relations. Maintaining this stance will help to resolve problems in the workplace and keep the company on the path of sustainable development.



Sports festival (China)

One Approach

■ Regulations Review Project

The Regulations Review Project, undertaken jointly by labor and management, was launched in 2005. Employees' needs and lifestyles become diversified along with changes in the social climate. Labor and management are therefore working together on checking systems and standards, to ensure they are always appropriate, fair and impartial.

■ Labor and Management Exchange Conference

Meetings of labor and management representatives are held each month in Kyocera plants and offices. The purpose of the meetings is to verify working conditions for employees and the workplace environment, and to actively exchange views on matters needing improvement, among other issues.

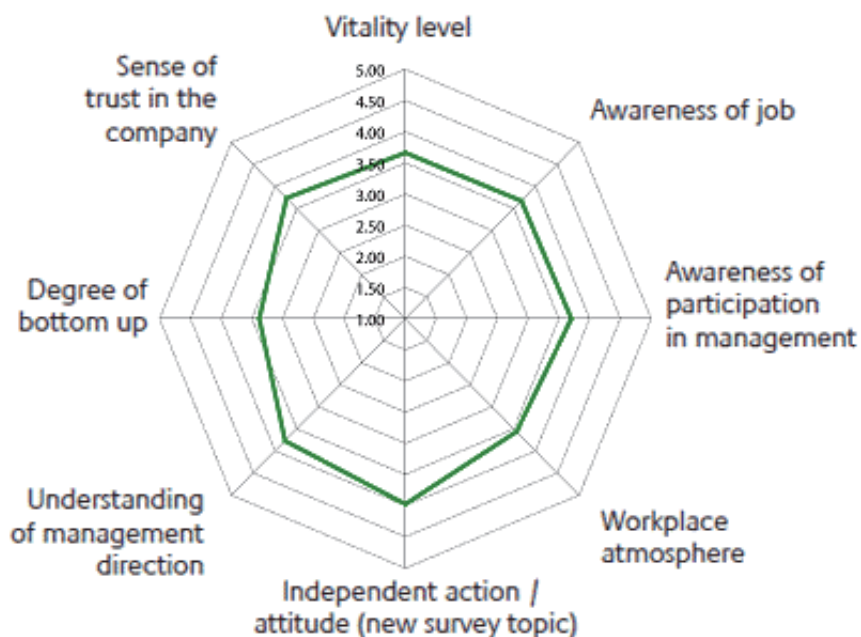
■ Kyocera Group Sports Festival ("All-Sports")

"All-Sports" is co-sponsored by labor and management in the Kyocera Group to heighten cohesion and relationships of mutual trust throughout the Group via games and victory celebrations. During the 33rd All-Sports meet held in 2012, 34 teams that won preliminary tournaments at Kyocera plants, offices and domestic Kyocera Group companies engaged in heated competition. A Tohoku Select Team was also formed in order to support reconstruction of the tsunami-hit Tohoku region.



Measures for Raising Workplace Vitality

Kyocera regularly conducts an awareness survey of all employees. The survey focuses on the level of satisfaction with work and the workplace environment, the management situation, the sense of trust in the company, and suggestions for improvements, etc. Responses from each organizational unit are analyzed, enabling diagnosis of “vitality level” in each workplace. In 2012, the survey was expanded to include Group companies in Japan. Results of analyses are compiled into a reference index. The index is then used in improvement activities centered on workplace leaders to achieve higher vitality levels in each workplace.



2012 workplace vitality diagnosis results (Kyocera Group in Japan)

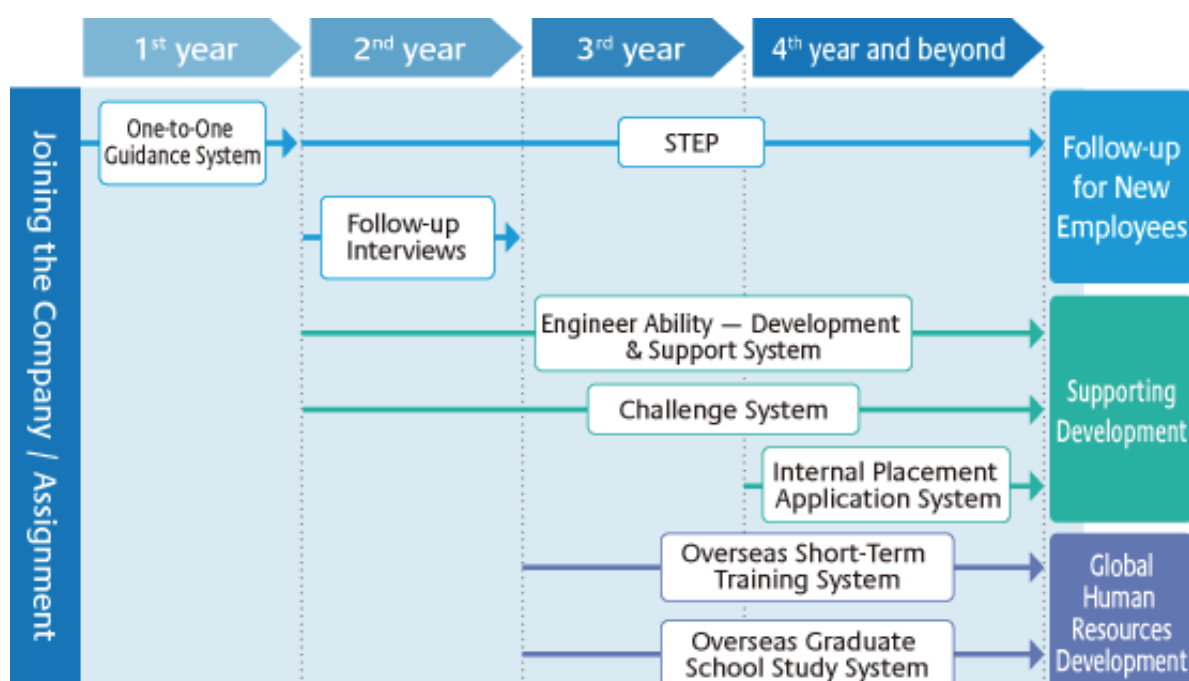
Cultivating Human Assets

Kyocera regards human resources as human “assets” and supports activities enabling employees to raise awareness of personal development and their contribution in the workplace.

In particular, as personal development can be achieved to a great extent through work, Kyocera is striving to create a workplace environment that enables each employee to work cheerfully and energetically, and draws out natural talents to the maximum extent.

Development of Human Assets

Kyocera aims to realize simultaneous personal growth of employees along with corporate development by matching the ideas and ambitions of employees regarding their work with the needs of the company.



One-to-One Guidance System (Supporting Growth of New Employees)

A coach is assigned to each new employee. Based on personalized development plans, the coach gives fine-tuned guidance through communication with each person. The Human Resources Department conducts follow-up interviews in the second year of employment.



STEP (Support Training and Education at the Workplace)

STEP is a program for supporting the step-by-step development of young employees. All employees within one to five years of employment at Kyocera take part in STEP. The program provides periodic opportunities for communication between supervisor and subordinate. This allows subordinates to express their views and thoughts to their supervisors, while supervisors listen to their opinions carefully. Sharing thoughts in this manner builds workplace unity and supports the growth of young employees.

Skill Development Support System for Engineers

This system supports engineers as they independently strive to enhance their skills as engineers. Specifically, the system clarifies the ideal state of an engineer for each job category and grade, while giving a quantitative grasp of the skills needed to get there (specific job requirements and levels). This system leads to improved engineering capability for the organization as a whole.

Anticipated Function Level and Grade	
Level	Grade
Level appropriate for leading authority in the industry	Chief Researcher / Chief Engineer
Level appropriate for leading authority in the company	Senior Researcher / Senior Engineer
Possessing broad and in-depth expertise	Associate Researcher / Associate Engineer
Possessing definite expertise	Assistant Researcher / Assistant Engineer

Challenge System (Supervisor–Subordinate Interview System)

Once a year, each employee shares work targets with a supervisor in an interview aimed at setting direction for skills development. With a clear understanding of his or her functions, each employee can concentrate independently on their work and skill development. Supervisors, by heeding subordinate feedback, endeavor to improve the ability of the organization to reach goals and succeed in business.

Internal Placement Application System

When divisions anticipate the need for an addition of personnel for new operations, expansion of operations, or other purposes, the company can reassign employees as necessary at an early stage. This system enables employees throughout the company to apply for placement in different divisions. Employees can accept the challenges of the diverse business fields of the Kyocera Group in accordance with their aspirations. The aim is to offer positions with heightened activity to talented people who have drive and ambition.

Overseas Training Systems

Kyocera has an Overseas Short-Term Training System and an Overseas Graduate School Study System. The objective of these systems is to cultivate human resources who can function on the global stage. The systems were established in 1984, and 226 people have been sent abroad for study since then. Kyocera is promoting cultivation of employees with improved language skills, the ability to obtain up-to-date knowledge and technology that can only be acquired abroad, as well as enhanced international awareness.



Measures Supporting English Language Learning

Kyocera is promoting measures that support English language learning by employees in Japan, to nurture human resources able to bear responsibility for global development of business. In FY2013 we continued to provide English learning support primarily for junior employees in their 20s. The goal was to raise the lowest levels of ability and aid achievement of a minimum score of 600 points on the TOIEC English test.

English classes on business documentation and presentation methods were also conducted as steps for cultivating global engineers.



Supporting Engineer Skills Enhancement

At Kyocera, basic technical training is conducted in the first year after joining the company to help new employees acquire basic knowledge and fundamental engineering skills. Specialized technical training is also provided particularly for young engineers. Additionally, engineering departments conduct mid-level engineer training with the objective of strengthening management capability. Kyocera thus supports the enhancement of engineer skills.

Building a Safe & Secure Work Environment

Provision of a safe and healthy work environment is a vital requirement for achieving the material and intellectual growth of employees, as set out in the Management Rationale.

To achieve this goal, the Kyocera Group actively promotes safety and health alongside fire and disaster prevention activities, while concentrating on building a corporate climate on the concept of “Safety First.”

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Strengthen Management Relating to Safety and Health / Fire and Disaster Prevention	<ul style="list-style-type: none"> ●Reduce work-related injuries Japan: Reduce rate by 75% compared with FY2011 Overseas: Reduce rate by 75% compared with FY2011 ●Safety training revision for managers and supervisors ●Build support systems for overseas Group companies ●Prepare guide on legislation relating to safety and disaster prevention ●Raise lowest levels of 5S evaluation in workplaces 	<ul style="list-style-type: none"> ●Reduced work-related injuries Japan: Reduced rate by 51% compared with FY2011 Overseas: Reduced rate by 45% compared with FY2011 ●Implemented training using the Safety & Disaster Prevention Handbook ●Applied “Point and Call” seals to draw attention to hazardous areas ●Ascertained circumstances at overseas bases and provided guidance as needed ●Prepared a Safety and Disaster Prevention Legislation Handbook and strengthened control systems ●Revised the Contingency Planning Manual ●5S minimum average evaluation points Kyocera Corporation: 89 points (improved 1% from FY2012) Domestic Group: 86 points (improved 8% from FY2012) Overseas Group: 80 points (no change from FY2012) ●Held seminars on mental health 	<ul style="list-style-type: none"> ●Reduce work-related injuries Japan: Reduce rate by 33% compared with FY2013 Overseas: Reduce rate by 15% compared with FY2013 ●Strengthen earthquake countermeasures ●Improve work environment ●Revise action plan for new influenza pandemics ●Raise 5S levels with targets set independently ●Revise training content and instruction methods; conduct mental health education, VDT operator education and employee health guidance

Occupational Health & Safety Policy

The Kyocera Group aims to build an accident-free and disaster-free workplace environment where everyone can work safely and with peace of mind. Based on the policy below, the Kyocera Group is promoting occupational health and safety activities with participation of all employees, for prevention of injuries and illnesses.

1. To maintain and improve the level of employee safety and health, the Kyocera Group abides by and endeavors to improve management of relevant national laws and regulations, by-laws of regions in which facilities are located, and other requirements agreed to by the Kyocera Group as an organization.
2. The Kyocera Group establishes organizations to effectively promote occupational health and safety activities, and clarifies the functions and responsibilities of those organizations. At the same time, all employees continue to receive necessary and sufficient education and training needed for operation of an Occupational Health & Safety Management System.
3. The Kyocera Group is building and implementing an Occupational Health & Safety Management System, and continually aims to raise the level of occupational health and safety.
4. The Kyocera Group is building a risk assessment system to assess risks and determine administrative measures for dealing with problem areas that may emerge in an accident or disaster. We set occupational health and safety targets. All related matters including this policy are regularly reviewed and continually improved to help prevent accidents and disasters.
5. The Kyocera Group is strengthening mental health care through activities for advancing the mental health of employees.
6. The Kyocera Group actively participates and cooperates in governmental and local society activities relating to occupational health and safety.

Approaches to Occupational Safety and Health / Fire and Disaster Prevention

The Kyocera Group introduced OHSAS18001 to advance activities in occupational health and safety as well as fire and disaster prevention. The Group is conducting risk assessment and preparing promotion plans to reduce or eliminate accidents and disasters. In FY2013, among various measures, we began putting up “Point and Call” stickers to draw attention to hazardous areas, and conducted training using a Safety & Disaster Prevention Handbook. By these and other means we endeavored to minimize work-related injuries.

Examples

■ Signs Draw Attention to Hazardous Areas

In the Kyocera Group (in Japan), hazardous areas are marked using “Point and Call” seals (Caution! Risk of entanglement). These may be areas frequently highlighted by KYK (Kiken Yochi Katsudo = Risk Perception Activities), areas where inattention may result in major disaster, areas prone to human error, and other hazardous places where confirmation of maximum safety is needed. The goal is to reduce work-related injuries around machinery and facilities by pointing to and vocalizing the hazard without fail before work begins.



Equipment with “Point and Call” seal attached



“Point and Call” seal

■ Conducting Employee Education Using a Safety and Disaster Prevention Handbook

A Safety and Disaster Prevention Handbook, itemizing the basics of safety, is distributed to employees in plants and offices throughout the Kyocera Group (Japan). The goal is to raise the level of safety awareness of each employee, and thereby reduce the incidence of work-related injury resulting from unreasonable and careless actions. Employee education using the handbook also supports prevention of work-related injury.



Employee education using the handbook

■ Safety Classes

In FY2013, the Shiga Gamo Plant and the Shiga Yohkaichi Plant began holding safety classes to raise awareness of the need for full attention to safety in work procedures. The classes present simulated experience of how employees can become caught up in or otherwise injured by machinery and equipment, and reconfirm the dangers lurking in work practices when safety is disregarded.



Simulated experience of machine work

■ Approach to Raising Safety Awareness in China

At Dongguan Shilong Kyocera Co., Ltd. (China), safety training for workplace leaders (unit leaders / FY2013: 15 sessions, attended by 434 people), preparation of safety and disaster prevention pamphlets, KYK (risk perception activities) and other activities are being implemented to raise employee awareness of safety. Additionally, Safety Committee members tour workplaces twice each month. If problems are discovered, improvement measures are to be implemented within one month. By continuing to raise employee awareness of safety and improving the workplace environment, we aim to build a workplace environment that is free of accidents and disasters.



Safety training for workplace leaders



KYK (Kiken Yochi Katsudo = Risk Perception Activities)

■ Commendation from the Kyoto Labor Bureau

Kyocera SLC Technologies Corp.'s Kyoto Ayabe Plant received the "Kyoto Labor Bureau Chief's Safety & Health Incentive Commendation." The commendation was awarded in recognition of results of worker safety and health measures implemented as part of the Labor Bureau's Kyoto Safety & Health Rally. Upon inspection by the Labor Standards Inspection Office, diverse measures including benchmarks and improvements relating to safety and health at the plant were evaluated as outstanding. We will continue with active promotion of activities to raise employee awareness of safety and health.

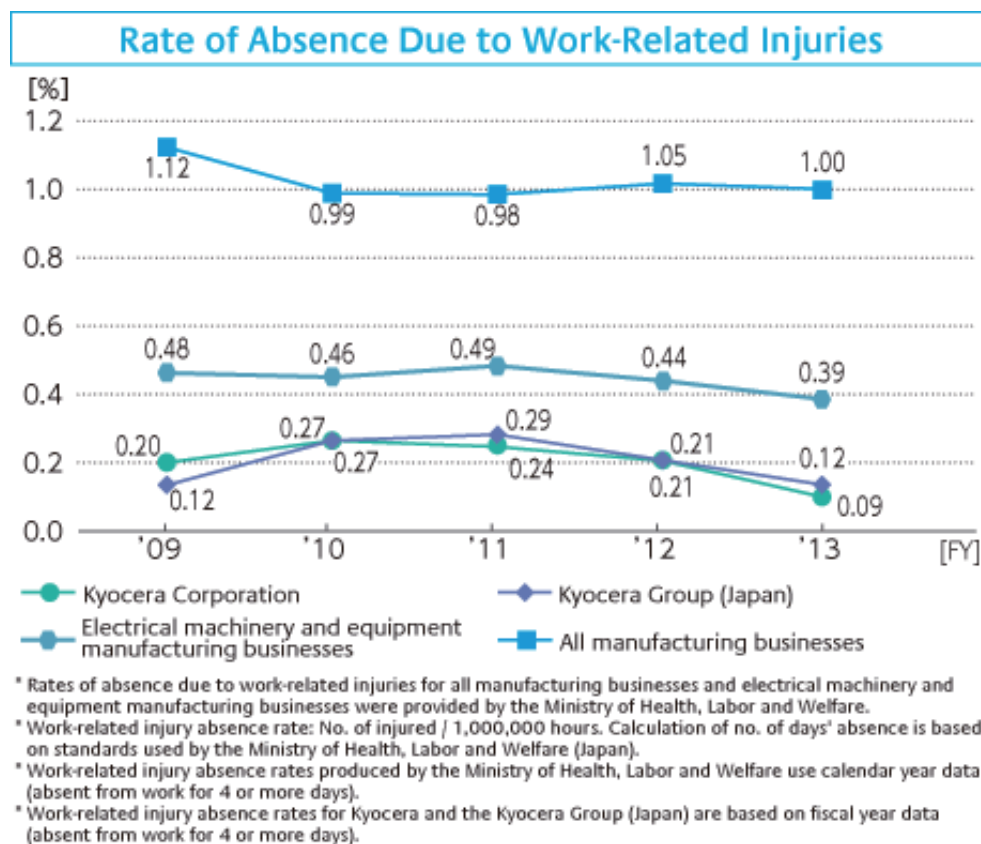


Commendation and plaque

Kyocera Group (Japan) Safety Record

In FY2013, the rate of absence from work due to work-related injuries in the Kyocera Group (Japan) was 0.12% (Kyocera Corporation: 0.09%). The state of safety in the Kyocera Group stands up very well compared with safety records for manufacturing businesses and electrical machinery and equipment manufacturing businesses.

The Kyocera Group strives to prevent work-related injuries, fires and explosions. With application of the Safety and Disaster Prevention Handbook, Point-and-Call seals and other diverse measures, we are building a workplace environment in which employees can work in safety and with peace of mind.



Revision of the Contingency Planning Manual

The Kyocera Group is preparing a Contingency Planning Manual for use if a disaster causes damage in the Group. The purpose of the manual is to minimize injury to people and property damage in the Kyocera Group, to achieve business recovery as quickly as possible, and to contribute to local communities, etc. Building on the experience of the Great East Japan Earthquake, in 2012 we revised provisions on measures for disasters relating to earthquake, wind and water damage, etc., and wrote a new section concerning volcanic eruptions.

Earthquake Countermeasures

In an attempt to minimize injury and damage from a major earthquake, the Kyocera Group (in Japan) is installing a disaster warning system at all plants and offices. This uses the Earthquake Early Warning System provided by the Japan Meteorological Agency. The Kyocera Group endeavors to minimize earthquake damage through diverse means. These include drills using the Earthquake Early Warning System, disaster prevention training for employees, regular disaster drills held with local fire stations and other organizations, etc. Considerable damage is expected from a tsunami that could be generated by an earthquake in the Nankai Trough. To counter the potential damage, evacuation areas have been prepared for bases that are likely to sustain damage, based on the expected maximum tsunami height and shortest arrival time. Steps have been taken to ensure employees are fully aware of what they need to do.

An Approach

■ Emergency Drills Assuming Disaster Strikes at Night or on a Public Holiday

The Nagano Okaya Plant, Kyocera Crystal Device Corp.'s Okaya Office and Kyocera Connector Products Corp.'s Okaya Office conduct disaster prevention drills on the assumption that a disaster has struck at night or on a public holiday. The objective is to develop appropriate responses should an earthquake, fire and other disaster occur outside normal operating hours.



Evacuation scene



Fire-fighting drill

Approaches to Promotion of Health

The Kyocera Group is undertaking various measures to raise awareness of health among all employees and support health in body and mind. Kyocera has long engaged in diverse activities aimed at improving mental health. They include stationing industry-specific physicians specialized in mental health at facilities, encouraging consultations inside and outside the company, studying mental health measures at conferences of in-house industrial physicians, introducing a rehabilitative work system, and others.

Furthermore, Kyocera sponsors regular conferences attended by the Safety and Disaster Prevention Div., Human Resources Div., labor unions, health insurance groups and industry-specific physicians. Kyocera is thus exploring various measures and systems relating to promotion of health.

Holding Mental Health Seminars

Early discovery in the workplace and the involvement of surrounding people including managers and supervisors are extremely important requirements for building mental health. Kyocera aims to create workplaces where employees can work safely, with peace of mind and in health. Therefore, from FY2013, Kyocera is holding mental health seminars with the objective of preventing mental disorders in each workplace and to promote understanding of the support needed for an employee to return to the workplace.



Mental health seminar (Yokohama Office)

An Approach

■ Lake Suwa Walk Rally

The Nagano Okaya Plant held a walk rally at Lake Suwa in September 2012 as a health promotion activity. First, instructors gave advice on how to walk correctly, on warm-up exercise, on stretching after the walk, and other matters. The walkers then set out on one of three courses, ranging 6 km, 12 km and 16 km, depending on each person's physical strength and condition. Some 111 people enjoyed walking on that fine autumn day. Further health promotion activities will be progressively organized.



Participants learn how to walk correctly

Deployment of Kyocera Perfect 5S Promotion Activities

The 5S system (Seiri: Sort / Seiton: Set in Order / Seiso: Shine / Seiketsu: Sanitize / Shitsuke: Sustain) is at the heart of work. Efforts by the Kyocera Group to implement the 5S system perfectly are called Kyocera Perfect 5S Promotion Activities. They are being introduced globally.

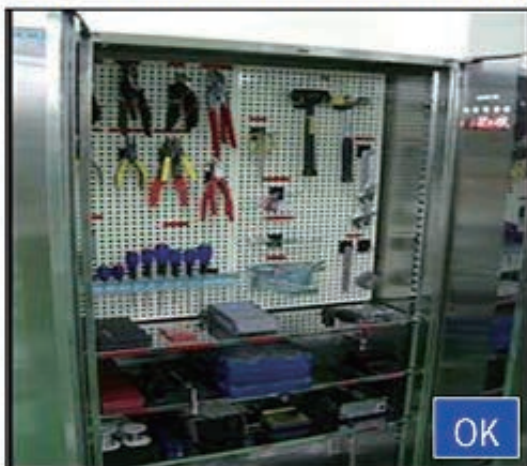
Checklists for 5S, photographs, illustrations, and other media showing examples are compiled into 5S Checklist Evaluation Examples. Based on clarification of assessment criteria, the state of 5S management is evaluated at each workplace, and improvements are implemented accordingly. We will continue to advance 5S activities, and to introduce aggressive measures for achieving safe and secure workplaces while raising quality and productivity.

13. 工具類 「維持管理」

Tools "Maintenance management"

使用后、工具は手入れを行い、定められた位置にきちんと置いているか

After use, are the tools cleaned and properly placed at their designated positions?



手入れされ、定められた位置に置かれている
Cleaned and placed at designated positions



定められた位置でない (ハンマーの位置にスパナ)
Not at designated positions (e.g. spanner at hammer position)

5S Checklist Evaluation Examples

Social Contribution Activities



Contributing to the Advancement of Society and Humankind

Ever since it was founded in 1959, Kyocera has chosen business activities with the goal of contributing to the advancement of society and humankind. We do this by constantly striving to develop new technologies and offering high-quality, sophisticated products to the market. We also take advantage of diverse opportunities to contribute actively to society out of gratitude for both the tangible and intangible support we receive, which we believe has made the Kyocera Group what it is today.

The Kyocera Group is a diverse enterprise of 229 companies* worldwide, with global headquarters in Kyoto, Japan. We regard a corporation as a member of society. Irrespective of the times, we aim to fulfill our responsibility as a corporate citizen that supports our local communities and the world at large. We will continue to work toward the betterment of the world and its people, not only in business, but also through diverse social contributions.

*As of March 31, 2013



Assistance with Academic Advancement and Research

Supporting the Inamori Foundation's Kyoto Prize

The non-profit Inamori Foundation was established in 1984, based upon the belief of Kyocera's founder, Kazuo Inamori, that "a human being has no higher calling than to strive for the greater good of humanity and the world" and that "the future of humanity can be assured only when there is a balance between scientific development and the enrichment of the human spirit." The Kyoto Prize, organized by the Foundation, was established in 1985 as an international award to honor people who have made significant contributions in the three categories of Advanced Technology, Basic Sciences, and Arts and Philosophy. Each laureate receives a diploma, Kyoto Prize medal and prize money of 50 million yen per category.

Following the Kyoto Prize presentation ceremony each November 10, related events are held to encourage live interaction with the laureates, including commemorative lectures for the general public, workshops involving specialists, unique lessons for high school students, and events for elementary and junior high school youth.

The Kyocera Group is fully aligned with the spirit of the Kyoto Prize and pleased to support this award, which celebrates its 29th year in 2013.



The Kyoto Prize Presentation Ceremony



The 2012 Kyoto Prize laureates



Kyoto Prize Symposium held in San Diego(U.S.A.)

Inamori Frontier Research Center at Kyushu University

The Inamori Frontier Research Center was established at Kyushu University (Fukuoka Prefecture, Japan) to undertake research activities contributing to the harmony of minds and technology, and to support the exchange and education of young researchers. Kyocera agrees with the goals of the Center, and has supported its operations since 2008 by donating scholarship funds.



Inamori Foundation Memorial Hall housing the Inamori Frontier Research Center

Inamori Academy Building at Kagoshima University

In 2008, the Inamori Academy building opened at Kagoshima University (Kagoshima Prefecture, Japan) to offer a course aimed at the comprehensive cultivation of human abilities. Kyocera supported the construction of the facility. In 2000, an endowed position, the Kyocera Chair of Management Studies, was established in the university's Faculty of Engineering. In 2005, the course was expanded into a university-wide organization, which was reorganized into the Inamori Academy in 2008.



Inamori Academy building

Kyocera Chair of Management Philosophy at Kyoto University

In 2007, Kyocera established the Kyocera Chair of Management Philosophy in the Kyoto University Graduate School of Management (Kyoto Prefecture, Japan), an endowed chair for the purpose of systematizing management philosophy and cultivating researchers. By doing so, Kyocera fosters a steady stream of business professionals who possess a universal philosophy of management and corporate ethics.



Kyocera Chair of Management Philosophy Symposium

Alfred University

In 2005, Kyocera made a donation to Alfred University (New York state, U.S.A.), an institute renowned worldwide for its education and research in ceramics and glass, which led to the official renaming of its engineering school as the Kazuo Inamori School of Engineering. In 2011, the Inamori Kyocera Fine Ceramics Museum was opened to exhibit the products and technology that Kyocera has cultivated over the years.



The Inamori Kyocera Fine Ceramics Museum

The Kyocera Museum of Fine Ceramics

The Kyocera Museum of Fine Ceramics, which is open to the public free of charge, was established in the Kyocera headquarters building (Kyoto City, Japan) in 1998. The museum showcases how Kyocera developed its fine ceramics technology over the years and contributed to the further development of the industry. In 2001, a second Kyocera Museum of Fine Ceramics opened at the company's Kagoshima Kokubu Plant in Japan.



The Kyocera Museum of Fine Ceramics
(Headquarters)

Support for Culture and the Arts

Shiki Theatre Company's Kokoro no Gekijo

Kyocera supports Kokoro no Gekijo (theatre of the heart), planned and managed by the Shiki Theatre Company, which uses the stage to communicate to children such important life lessons as trust, altruism and the value of life. Children across Japan are invited to attend the free performances.



Momojiro's Adventure, performed by Shiki Theatre Company
(photo by Akihito Abe)

The Kyocera Museum of Art

The Kyocera Museum of Art, which is open to the public free of charge, was established in 1998 in the Kyocera headquarters building (Kyoto City, Japan). Many works of art are on permanent display, including Picasso's copper plate print series 347, Western-style paintings, sculptures, and Qianlong glass from China. The Museum's Spring Special Exhibition in March 2013 featured 46 works by artists from the Youth Organization of the Kyoto Metal Arts and Crafts Association, some using materials developed by Kyocera.



The Kyocera Museum of Art

The Kirishima International Music Festival

Since 2001, Kyocera has supported the Kirishima International Music Festival (Kirishima City, Japan), which has been held since 1980, with the aim of providing students with the opportunity to be educated by outstanding musicians and experience their performances. Concerts and workshops are held every year, featuring musicians from around the world as invited performers and lecturers.



Concert at the Kirishima International Music Festival
© Kirishima International Music Festival

Kyoto Hanatouro Project

Kyocera supports the Kyoto Hanatouro project, in which lights and flowers evoking a rich Japanese atmosphere are used to decorate Kyoto's prominent temples, shrines and other historical cultural assets and street scenes. More than two million people enjoyed fantastic night scenery during events over 20 days in Arashiyama in December 2012 and Higashiyama in March 2013.



Townscape vividly lit by street lanterns
(Japan)

© Kyoto Hanatouro Promotion Council

International Exchange and Collaboration

Donating of Solar Power Generating Systems to Schools in Uganda, Tanzania and Nepal

To help improve the educational environment in areas lacking electricity, Kyocera has been donating solar power generating systems and basic electrical equipment, including lighting, TVs and radios, to schools in Uganda, Tanzania and Nepal since 2009.

As a pioneer in solar power, Kyocera can help improve educational standards in developing countries by giving children — our future leaders — classrooms lit by solar electricity.



Solar modules installed on a school (Uganda)



School children watch a television powered by solar energy (Uganda)



School staff and a Kyocera employee (at far right) hold a donation ceremony (Tanzania)



Solar modules installed on a school (Nepal)

“TOMODACHI in San Diego 2013”

Many survivors of the Great East Japan Earthquake were supported and encouraged by Operation Tomodachi, an emergency rescue effort conducted by U.S. Armed Forces immediately after the disaster. In the spirit of these efforts, and with the aim of fostering friendships between the two nations, the TOMODACHI Initiative was jointly created by the U.S. Embassy in Japan and the U.S.-Japan Council. In alliance with the Initiative’s goals, Kyocera, together with Japan Airlines, supported the “TOMODACHI in San Diego 2013” program, which in March 2013 brought seven children from Kesennuma City — including local high school students whose homes were destroyed by the disaster — to San Diego to express their thanks to the Marines and Navy personnel for their help and collaboration.



High school students express their gratitude during the Marine Corps base visit (U.S.A.)



U.S. Armed Forces' rescue efforts are introduced to Kyocera employees and community supporters (U.S.A.)

The Inamori-Kyocera Western Development Scholarship Fund Supports Development in China

In 2001, Kyocera and its founder, Kazuo Inamori, set up the Inamori-Kyocera Western Development Scholarship Fund to assist economically disadvantaged university students in China’s western provinces who show both outstanding academic achievement and high moral character. The fund fosters individuals who will aid regional development through science and technology. Scholarship funds are granted at 12 universities each year, with a total of 3,291 student beneficiaries as of March 2013.



Scholarship presentation ceremony

Cultural Exchange Tours Enable Chinese Children to Visit Japan

Since 1997, Kyocera has invited children from China to visit Japan, with the hope that providing firsthand experience of different cultures to children will facilitate future bonds of friendship between the two countries. A total of 364 children have taken part in the program so far. The summer of 2012 marked the 13th time this tour has been held, with 40 children visiting Japan from Beijing and Tianjin to travel around Kyoto, Tokyo and Kagoshima.



Chinese children enjoy a tea ceremony at Chado Research Center, Kyoto

Picture Books for Children in Developing Countries

Kyocera supports an international cooperative that delivers picture books to children in developing countries. Since 2009, Kyocera employees have voluntarily made picture books, which are delivered to children in countries including Cambodia, Laos, Afghanistan, and at refugee camps in Myanmar (Burma).



Children at a Myanmar (Burma) refugee camp receive picture books
Photo provided by Shanti Volunteer Association

Local Community Activities

Supporting Kyoto Sanga F.C. Professional Soccer Team

In 1994, in response to the high expectations of Kyoto residents calling for a local professional soccer team, Kyocera helped establish Kyoto Purple Sanga (now Kyoto Sanga F.C.), with the belief that it is the responsibility of local companies to help local communities thrive. Kyocera Group companies in Japan work together to support the team. Kyocera also supports the Sanga Cup Kyoto Youth Soccer Championships, as well as a project that helps develop soccer skills in players ages 18 and younger.



©KYOTO.P.S.

Classes in Scientific Experimentation Teach Basics of Electricity and Photocopying

The Osaka City Board of Education conducts the Naniwa “Kids Love Science Development Project” to help children experience the joy of learning science and to ensure the future of the manufacturing sector. Kyocera employees have served as special instructors since 2008, using scientific experiments to teach a total of 2,352 elementary school students in 32 schools how science can be fun.



Printer/copier science experiments (Japan)

Hands-on Science Classes about Artificial Joints

In response to Japan’s new Structure and Function of the Human Body elementary school curriculum introduced in FY2010, Kyocera teaches hands-on science classes at elementary schools in Gifu Prefecture under the auspices of the Gifu Science World Experience Center. Kyocera Group employees give special lectures to explain the mechanics of human and artificial joints in a simplified manner.



A simplified introduction to artificial-joint mechanics

Providing Scholarships to Japanese Language Students

For 30 years, Kyocera in the U.S.A. has provided Kyocera Japanese Scholarships and Best Student Awards to students at San Diego State University. These annual partial scholarships and awards recognize outstanding students of Japanese language and encourage cross-cultural studies.



Kyocera employee (left) awards a student (right) with a scholarship

Pink Ribbon Activities

The Kyocera Group supports the Pink Ribbon Movement to promote early detection and diagnosis of breast cancer, and donates part of the profits from its pink ceramic kitchen products to this effort. In the U.S.A., Kyocera has donated part of the profits from its pink-handled ceramic knives to breast cancer research since 2004. Kyocera supports similar activities in Australia, China, France, Italy, Korea and Japan.



Ceramic knife series supports the Pink Ribbon Movement

Recycling Initiatives

The Kyocera Group in the U.S.A. actively recycles with the dual aims of raising employees' awareness of environmental protection and also reducing environmental burdens. Their resource-saving results have been recognized for 13 consecutive years: through 2013 the company has won annual recycling awards from the city of San Diego. In April 2013, Kyocera held an Earth Expo event in San Diego, where more than 40 local companies and organizations showcased innovative eco-friendly products and services in conjunction with Earth Day. Attendees brought cell phones, computers, music players and cameras for recycling, representing 3,822 pounds of eWaste that was properly disposed of by Recycle San Diego.



Employees celebrate their 13th consecutive annual recycling award



Earth Expo attendees were encouraged to recycle old mobile phones

Local Community Beautification

Kyocera aims to be an integral part of its local communities, participating in regular beautification efforts for parks, forests, rivers and areas around our offices worldwide. Employees of Kyocera Group companies in the U.S.A. volunteer to clean up local beaches together with their family members.



Employees beautify a local beach (San Diego, U.S.A.)

Support for the All-Japan Wheelchair Rider Ekiden

The aim of the All-Japan Wheelchair Rider Ekiden is to promote social participation and sports activities by people with disabilities. Kyocera has supported the race since it was first run in 1990.



Wheelchair rider

Fundraising Efforts

Since 1963, the Kyocera Group has held annual fundraising campaigns. Contributions from employees and Kyocera companies are entrusted to their local communities. In addition, many worldwide Kyocera Group companies and their employees have made donations that support disaster-stricken communities around the globe.



Kyocera employees in the U.S.A. collect donations for the victims of Hurricane Sandy, which devastated the northeastern region in October 2012

Training University Student Interns

Since 2010, the Kyocera Group in Malaysia has accepted university student interns every semester at the request of local universities. Employees help interns acquire a practical understanding of the business world by providing them with pre-professional experience in key areas of manufacturing and administration.



Student interns learn administrative skills

Ise Football Village, Ise City, Mie Prefecture, Japan

In April 2013, the city government of Ise improved the Asama Sanroku Park and its surroundings and opened the Ise Football Village as part of a community development project. Kyocera, which has a manufacturing plant in Ise City, donated a solar power generating system for installation on the clubhouse roof which helps power the facility.



Ise Football Village clubhouse (Japan)

Food Donations for Households in Need

The Kyocera Group in the U.S.A. donates canned goods, gathered by employees, to households in need in their respective local communities. In Arizona, canned goods donated by 40 Kyocera employees were delivered to 500 homes in December 2012; the New Jersey office began holding its annual canned food drive in 2008.



Employees donate food to help those in need

Running for Charity

The Kyocera Group in Germany backed a running event in which one euro was donated for every kilometer the runners covered, with proceeds going to underprivileged children. About 800 employees and family members participated in the event in Dusseldorf, Munich, Hamburg and Berlin.



Employees and family members participate in the run

Bicycles Donated to Local Orphanage

The Kyocera Group in the Czech Republic provides support to children living in an orphanage in the suburbs of Kadan, a city in the northwest part of the country. In November 2012, the Group donated bicycles, Christmas presents and daily necessities purchased with money that employees had donated.



Children receiving bicycles

Vocational Training for Document Equipment Repair

The Kyocera Group in South Africa supports a local vocational training organization that provides education and practical training on repairing document equipment. Kyocera's printers and copiers are used in this training. Kyocera also provides financial support for the organization's operations.



Trainees who completed vocational training with Kyocera employees

Toys for Tots Donation

Since 2006, the Kyocera Group in the U.S.A. has participated in the annual Toys for Tots campaign run by the U.S. Marine Corps, which collects toys to give as holiday gifts to underprivileged children. Since the program began, the U.S. Marines have distributed more than 350 million toys to 160 million children.



U.S. Marines and Kyocera employees with donated toys

Children Invited to a Professional Baseball Game

The Kyocera Group in Korea invited 60 underprivileged children in Seoul to a professional baseball game in September 2012. Before the game, the children met some of the baseball players and got their autographs. Two children were even able to throw out the game's opening pitch.



Children receive player autographs

Donating Toothbrushes to Elementary School Students

Since 2000, as part of a local medical support program, the Kyocera Group in the Philippines has donated toothbrushes to over 21,700 local elementary school students in Naga, Cebu Island, helping children to establish good oral hygiene habits.



Children receiving toothbrushes

Supporting the Education of University Science Students

The Kyocera Group in the U.S.A. began collaborating with Mathematics, Engineering, Science Achievement (MESA*) in 1992 to support students in their studies. Providing educational support and scholarships to universities in the state of California helps highly motivated students achieve their academic goals.

* Mathematics, Engineering, Science Achievement

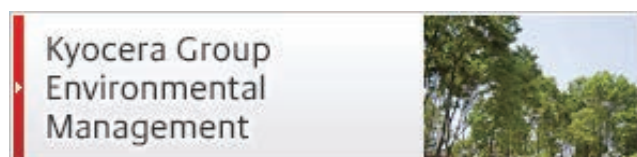


University students receiving scholarships (left and right) from a Kyocera employee (center)

Environmental Activities



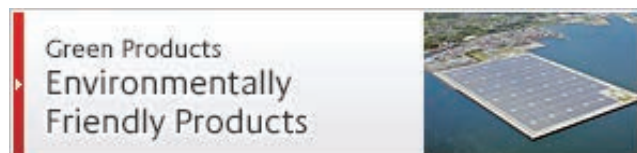
Since foundation of the company, based on the corporate motto “Respect the Divine and Love People,” the Kyocera Group has focused all corporate activities on three pillars of coexistence (Living Together): Coexisting with Our Community, Coexisting with Global Society, and Coexisting with Nature. The entire Kyocera Group is committed to environmental management and aims for sustainable corporate development while striving to combine the goals of ecology and economy.



- Kyocera Environmental Charter
- Environment Vision 2020 / Kyocera Group Environmental Policy



- Environmental Management Promotion System
- Environmental Education
- Environmental Risk Management
- Environmental Accounting



- Development of Environmentally Friendly Products
- Kyocera Environmentally Friendly Products
- Green Procurement



- Energy Conservation and Prevention of Climate Change
- Resource Conservation
- Waste Reduction and Recycling Measures
- Chemical Substances Management
- Kyocera Group's Environmental Impact at Each Site



- Kyocera Group “Eco-Lessons”
- Activities Related to the Conservation of Biodiversity
- Providing Employees’ Families with Environmental Education and Awareness
- Participation in Environmental Exhibitions and Events
- Main Feedback for Sustainable Management

Kyocera Group Environmental Management

Since foundation of the company, based on the corporate motto “Respect the Divine and Love People,” the Kyocera Group has focused all corporate activities on three pillars of coexistence (Living Together): Coexisting with Our Community, Coexisting with Global Society, and Coexisting with Nature. The entire Kyocera Group is committed to environmental management and aims for sustainable corporate development while striving to combine the goals of ecology and economy.

The Kyocera Group handles many chemical substances during production processes, such as raw materials and chemical agents for fine ceramics. Regarding treatment of waste water from factories, our policy is to purify discharged water to a state cleaner than the water system into which it is to be released. Kyocera’s founder, Kazuo Inamori, determined all waste water would be first rendered as harmless as possible, using the newest available technology.

Based on this concept, the Kyocera Group enacted the Kyocera Environmental Charter in 1991, the company’s basic philosophy regarding the environment. Kyocera established its Environment Vision 2020 in order to embody the Kyocera Environmental Charter and define the company’s stance on a long-term basis up to 2020. As a yearly goal to achieve this vision, Kyocera has formulated the “Kyocera Group Environmental Policy.”



Kyocera Environmental Charter

Established: October 1, 1991

Revised: June 1, 2013 (latest revision)

I. Preface

Technological progress and economic development in industrialized countries have given rise to affluent societies with high standards of living. At the same time, they have led to the mass consumption of natural resources and mass discharge of chemical substances — which, in turn now threaten to escalate environmental pollution and destroy the Earth's ecosystem. In addition, explosive population growth and widespread poverty in developing countries have aggravated these environmental problems with large-scale deforestation. The social and economic activities of both advanced and developing countries are intertwined, and with all parties intent on greater material consumption, nature's recuperative powers have been exceeded. As a result, the Earth's natural regenerative mechanism has been damaged on a global scale.

One of our major premises up to this time — that the Earth's ecosystem is infinitely large — is now being rejected in favor of the idea that the Earth is a closed ecosystem. Such a change in view affects the very foundation of humankind's existence and demands a re-evaluation of the quality and quantity of the products used by humankind. This, in turn, will lead to a fundamental change in the industrial / technological system within which such products are manufactured.

In the course of history, humankind has witnessed three eras of rapid development: the Agricultural Revolution, the Industrial Revolution and the Information Revolution. It is generally felt that the current environmental movement will someday be regarded as humankind's fourth era of rapid development: the Environmental Revolution.

Our future thus requires new policy goals. These should state that development and economic growth may be pursued only when proper consideration is given to the balance between nature and society and environmental conservation. While an individual's impact may be small, the cumulative result from a rapidly expanding population could cause complete environmental destruction.

Therefore it is essential to establish a basic philosophy of coexistence and co-prosperity between the developed and developing countries, between business and government, and between individuals and societies. All must be viewed as participants in the stewardship of "Mother Earth," not as opposing forces with conflicting interests.

The greatest responsibility for promoting the Environmental Revolution lies with the advanced countries. In particular, businesses in such countries play a vital role, as they possess production technologies and are directly engaged in industrial activities.

II. Basic Philosophy

In accordance with our corporate motto — "Respect the Divine and Love People" — since its foundation, Kyocera has adhered closely to its management rationale, "To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind." We strive to conduct business in harmony with the life-giving force of our universe. Kyocera had early insight into the mindset that today's global environmental problems make demands of every business enterprise. This mindset implies that business should uphold the dignity of humankind and contribute to the sustainable development of society.

Based on the management rationale stated above, the Kyocera Group adopts comprehensive measures for the creation of a low-carbon producing, sustainable society — a society which exists in harmony with nature — and will further heighten our goals towards environmental protection, development of environmentally friendly products, energy conservation & climate change prevention, resource conservation, waste reduction, proper management of chemical substances, and biodiversity protection in order to make proactive and continuous contributions to environmental preservation.

III. Basic Policies

In the course of business activities, the Kyocera Group will take a serious view of global environmental protection adhering closely to the Company's basic philosophy, stated above, and will emphasize the following points:

1. Adhering to internal environmental standards that make global environmental protection our first priority;
 - (1) In order to minimize impact on the natural environment and any harmful effects on the ecosystem, Kyocera will establish and comply with internal standards which are more stringent than those specified by applicable international agreements and, national laws local regulations where the Company's facilities are located.
 - (2) At all levels, Kyocera will scientifically study and evaluate the effects of business activities on the environment, and then take the necessary protective measures.
2. Kyocera will strive for the development of environmentally friendly products in two categories;
 - (1) Kyocera will increase its research and development of Products for Environmental Improvement that make a positive contribution to the enhancement of the global environment, and strive to spread the use of such products.
 - (2) Kyocera will increase its research and development of Environmentally Gentle Products that have a lighter burden on the environment at each stage of production, sales, distribution, consumption and disposal and strive to spread the use of such products.
3. Most efficient utilization of resources and innovation of processing technologies;
 - (1) Kyocera will develop processing technologies and production facilities that have maximum resource and energy efficiency. At the same time, the Company will aim to reduce raw material and chemical consumption in all processes.
 - (2) Kyocera will promote internal energy conservation activities, such as more efficient use of electricity and fossil fuels, the introduction of high efficiency equipment, and the reutilization of waste heat. At the same time, the Company will promote measures for climate change prevention.
 - (3) Kyocera intends to purchase recyclable materials which contribute to resource conservation while maximizing resource efficiency by establishing recycling systems for wastewater and waste materials. The Company will take aggressive steps to reduce the volume of and decontaminate all waste.
4. Enhancement of environmental communication, participation in, and support for, social contribution activities.
 - (1) Kyocera will pursue education to improve employees' environmental awareness and thus promote participation in environmental preservation.
 - (2) Kyocera will broadly establish cooperative relationships with local communities, municipalities and business partners to promote positive environmental communication.
 - (3) Kyocera will promote the "greenification" (tree-planting) of its facilities in an organized effort to create grounds which are lush and inviting. At the same time, the Company will participate in and support social contribution activities.

IV. Promotion Organization

1. Kyocera will establish and operate an environmental management system based on ISO14001 standards, and continuously expand environmental preservation activities.
2. To ensure compliance with legal and governmental environmental regulations, and internal environmental standards, an internal review group will conduct audits on both a regular and an as-needed basis.
3. The Environmental Management Division, facility manager and environmental specialists will implement an independent auditing system regarding environmental protection at each of its business locations.

V. Application

The Kyocera Environmental Charter will be applied to companies within the global Kyocera Group.

Environment Vision 2020 / Kyocera Group Environmental Policy

Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Achievement of Environment Vision 2020	<ul style="list-style-type: none"> Aggregate reduction of greenhouse gas emission [low-carbon society contribution factor] (FY2014 Factor 1 accomplished) 	<ul style="list-style-type: none"> Factor 1.01 (Goals accomplished one year early) 	<ul style="list-style-type: none"> To promote activities for accomplishing FY2021 Factor 3.

Environment Vision 2020



For the Kyocera Group, harmonious coexistence (Living Together) is the underlying foundation of all our business activities as we strive for sustainable development through environmental management. Based on a global environmental management system (Green Management), we strive for ecological and economic compatibility in three areas: Green Products, Green Factories, and Green Communication.

1. Contribute to realization of a low-carbon society

Targeting a Low-Carbon Society Contribution Factor of 3 (Contribution Volume ÷ Emission Volume) by maximizing the reduction of greenhouse gas emissions through energy creation, and suppressing greenhouse gas emissions in business activities.

2. Contribute to realization of a recycling-based society

Contribute to realization of a society with sustainable recycling of resources by reducing the volume of new resource input and minimizing waste.

3. Contribute to realization of a society coexisting with nature

- (1) Advance conservation of biodiversity by minimizing negative impact on the natural environment, as well as protecting and nurturing the natural environment.
- (2) Contribute to cultivation of an environmentally conscious society, through environmental communication with various stakeholders and environmental awareness activities.

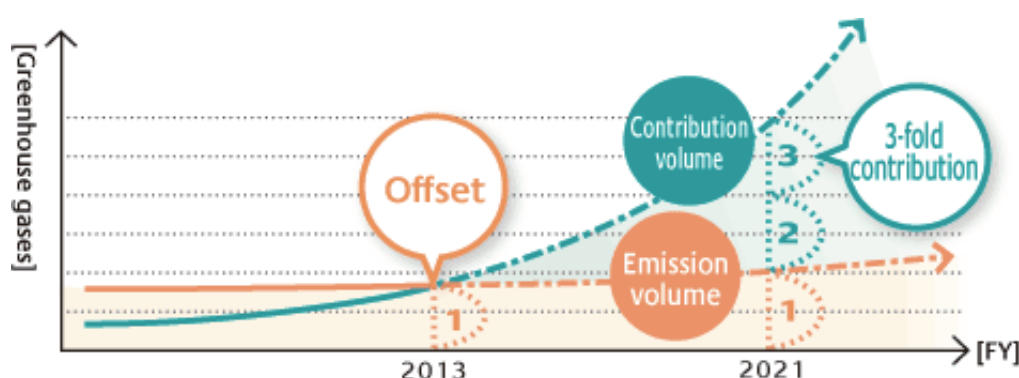
Commitment to Achieving a Low-Carbon Society

In addition to targets for reducing greenhouse gas emissions from business activities, the Environment Vision 2020 establishes a benchmark in aiming for realization of a low carbon society. Named the Low-Carbon Society Contribution Factor, this benchmark gives an overall assessment of the volume of contribution to greenhouse gas reduction through use of Kyocera Green Products. The FY2013 Low Carbon Society Contribution Factor has reached 1.01, with the goal having been accomplished one year early.

$$\text{Low-Carbon Society Contribution Factor} = \frac{\text{Volume of contribution to}^{*1} \text{ greenhouse gas reduction}}{\text{Volume of greenhouse}^{*2} \text{ gas emissions}}$$

Low-Carbon Society Contribution Factor

FY	'09	'10	'11	'12	'13
Factor	0.40	0.56	0.66	0.93	1.01



*1 The volume of contribution to greenhouse gas reduction is obtained by converting the volume equivalent to the energy creation effect into the greenhouse effect gas, in which the photovoltaic systems produced and marketed are assumed to continue power generation for 20 years. In addition, the coefficient used in conversion shall be 0.360kg of CO₂ per kWh (based on the Japan Photovoltaic Energy Association's Independent Industry Rules on Labeling).

*2 Emissions of greenhouse gas by plants and offices in the Kyocera Group

Participation in the Low-Carbon Society Action Plan

In March 2012, Kyocera participated in the Low Carbon Society Action Plan of electrical and electronics industries.

This is an approach to improve energy consumption units by 1% per year on average and to contribute to suppression of CO₂ emissions from manufactured products by 2020. Kyocera will make unified efforts with industries to positively carry forward our contribution to the prevention of climate change.

Kyocera Group Environmental Policy

As a milestone in promoting our contribution to the realization of a low-carbon society, recycling-based society, and society coexisting with nature set out in the “Environment Vision 2020,” the Kyocera Group enacted a global environmental policy, based on which each manufacturing plant and each office voluntarily drafts environmental goals, and rolls out ongoing improvement by applying the Plan, Do, Check, Act (PDCA) cycle. For the environment goal, a 3-year goal was set out and promoted, but in order to focus on environmental management more directly in connection to the Kyocera Group’s management system, it was revised to an annual goal, the “Kyocera Group Environmental Policy.”

“In all production sites, the greenhouse effect gas emissions, energy consumption, water consumption, and industrial waste discharge will be reduced by 1% or more from a year earlier in terms of energy consumption unit improvement rate.”

Green Management: Basis of Environmental Management Promotion

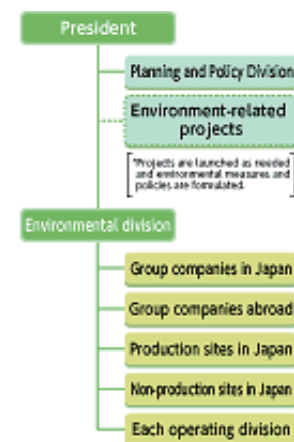
Green Management

We strengthen our global management system and aim for sustainable development while achieving a good balance between ecology and economy.



Environmental Management Promotion System

Targets and action plans determined by the Kyocera Green Committee are broken down in the Environmental Management System based on the ISO14001 Standard. The Plan, Do, Check, Act (PDCA) cycle is applied monthly in order to spread continuous environmental conservation activities.



Environmental Education

The Kyocera Group systematically performs environmental education by classifying it into general, awareness, and professional education based on the environmental education system. Our objective is to help our employees to understand the significance of working on environmental conservation activities and the role each person plays, and thus to raise overall environmental awareness.



Training for "Eco-Lesson" instructors

Environmental Risk Management

The Kyocera Group established the Kyocera Group Environmental Management Standard in 1992, which sets stricter standards than legal and public regulations on emissions, wastewater, soil and ground water contaminants, etc. In addition, each office specifies even stricter self-imposed standards and carries out periodic measurements.



Kyocera Group Environmental Management Contribution Award

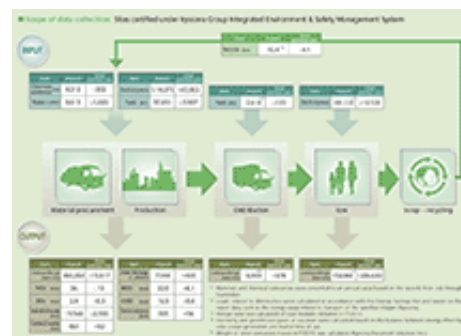
The Kyocera Group used to present the Kyocera Group Environmental Management Contribution Award every year, with the objective of stimulating environmental conservation activities, but because we have seen ongoing improvement of environmental protection activities at work sites thanks to the environmental management system, the Award is being discontinued for the sake of reform in FY2014. We will continue to roll out positive activities at each site including development of environment-friendly products, effective utilization of finite resources/energies, activities for the prevention of climate change, and others. Incidentally, the Kyocera Group has established a system for commending employees who have made a great contribution in business activities, which include environmental activities (President's Award), and presents the award in April every year.

Environmental Accounting

The Kyocera Group established an Environmental Accounting System which has been in practice since FY2003. In its business activities, the Kyocera Group quantitatively assesses the cost laid out for environmental conservation and its conservation effects as well as economic benefits, and positively utilizes this information for environmental conservation measures.

Overall Environmental Impact

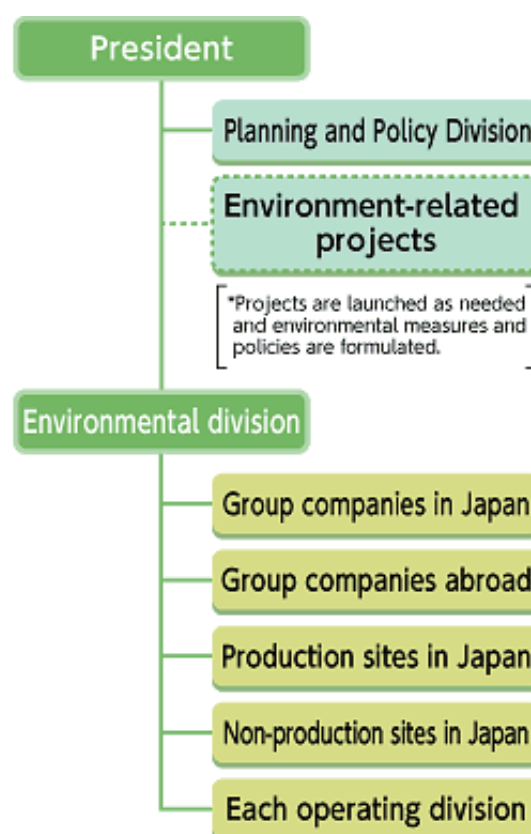
This diagram shows the environmental impact of the entire Kyocera Group, clarifying the relationship between our business activities and the environment.



Environmental Management Promotion System

In the Kyocera Group, the Kyocera Green Committee (1990) and Kyocera Group Green Committee (established in 1991) which deliberated environmental management were discontinued in April 2013.

Planning of environment-related measures and policies, which was the responsibility of the committees until now, will be implemented by the planning and policy division, environmental division, and related business divisions through mutual consultation with the president as the leader. In addition, environment-related projects will be launched as needed to work out solutions. The practical tasks and operations have been integrated into an organizational system within the environmental management system, which is centered on the environmental division.



Environmental management promotion system

Environmental Management System

Targets and action plans determined by the Kyocera Green Committee are broken down in the Environmental Management System based on the ISO14001 Standard. The Plan, Do, Check, Act (PDCA) cycle is applied monthly in order to spread continuous environmental conservation activities.

We adopted and applied an Environmental Management System in 1996 when the ISO Standard was established. Presently, we have built systems globally and now deploy and apply them at 305 Group locations both in Japan and abroad.

[Number of Locations Applying the Environmental Management System (as of March 2013)]

Kyocera Group Integrated Environment & Safety Management System	194
Environmental Management System (Individual certification)	107
Self-Certification Environmental Management System (AVX Group)	4
Total	305

Environmental Safety Audit

The Kyocera Group periodically conducts environmental safety audits to ensure that the environmental safety management system is properly applied in accordance with ISO14001 requirements. We report audit results and carry out corrective actions immediately. The results and corrective actions are reflected in the review and in the improvement of the Environment & Safety Management System.



Environmental safety audit

Environmental Education

The Kyocera Group systematically performs environmental education by classifying it into general and awareness education, and professional education based on the environmental education system. Our objective is to help our employees to understand the significance of working on environmental conservation activities and the role each person plays, and thus to raise overall environmental awareness.

		Top Management	Mid-level Employee	Employee	Part-time Employee
General / Awareness		Employee magazine, Web site, various monthly activities, etc.			
Specialty	By hierarchy	Plant Manager & General Office Manager Training	Sales Office Manager Training Education for section chiefs Supervisory / Leader Skills Training	Education for new employees	
	By function	Education for environmental safety directors	Education for department managers Education for environmental safety managers	Education for environmental enhancement leaders Education for environmental enhancement personnel Education for personnel in charge of environmental safety divisions	
	Technique	(Other: Education for employees of in-plant resident companies, education for vendor companies)			
	Certification	Education for personnel engaging in specific environmental jobs			
		Education for chief internal environmental safety auditors Education for internal environmental safety auditors		Basic environmental technology program	
		Training of lecturers for "Eco-Lessons"			

Kyocera Group's Activities during Environmental-Awareness and Energy-Saving Months

Japan

The Kyocera Group (Japan) established an environmental awareness month (June) and energy-saving months (February and August), wherein the Kyocera Group focuses on environmental conservation activities including energy-saving and electricity-saving to raise environmental awareness and enhance conservation activities in each manufacturing plant and office.

In FY2013 we carried out a program called, "Summer Eco-Challenge 2012," from June to September, in which we asked our employees for eco-ideas to save energy and electricity in our manufacturing plants and offices in order to reinforce our energy-saving and electricity-saving activities during the summertime. In addition, we held the "Green Curtain Photo Contest" and the "Children's Environmental Contest," in which we invited employees' children to submit essays concerning the environment in order to enhance environmental awareness of employees' families.



Green curtain photo contest (grand prix)

China

Shanghai Kyocera Electronics Co., Ltd. designated July and August as energy-saving awareness months and installed a bulletin board concerning environmental conservation, as well as held events including energy-saving education to enhance energy-saving awareness of employees.



Bulletin board concerning environmental conservation

Thailand

Kyocera Crystal Device (Thailand) Co., Ltd. designated December as an energy-saving awareness month and provided training for 1,100 employees on energy-saving and climate change prevention. Furthermore, the company held an essay contest and conducted an observation tour at a neighboring electric power plant.



Energy-saving and climate change prevention training



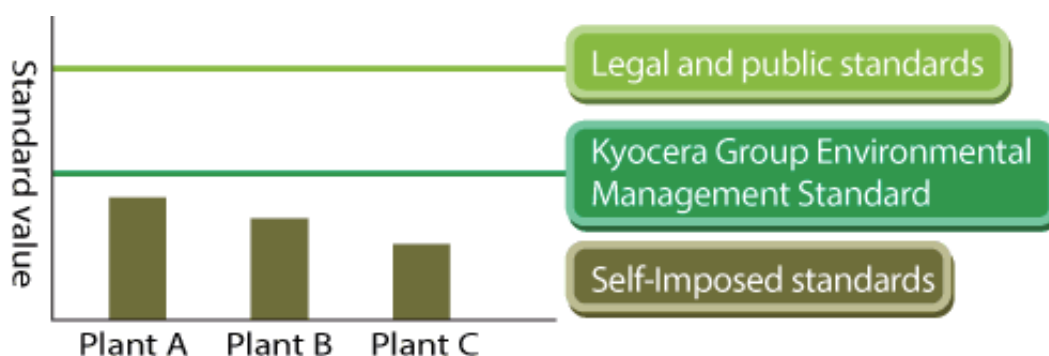
Observation tour at an electric power plant

Environmental Risk Management

Establishment of the Environmental Management Standard

The Kyocera Group established the Kyocera Group Environmental Management Standard in 1992, which sets stricter standards than legal and public regulations on emissions, wastewater, soil and ground water contaminants, etc. In addition, each office specifies even stricter self-imposed standards and carries out periodic measurements.

In addition, from the viewpoint of soil contamination control, the Kyocera Group established the Underground Installation Handling Standard to ensure that the pipeworks and storage tanks for discharged water containing contaminants are built for easy visual inspection, so that leaks can be detected early and the spread of contamination can thus be prevented.

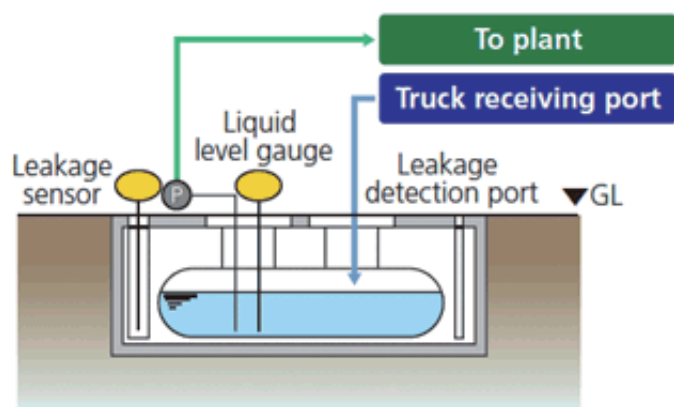


[Example of Kyocera Group Environmental Management Standard (extracted from a total of 44 water-related substances)]

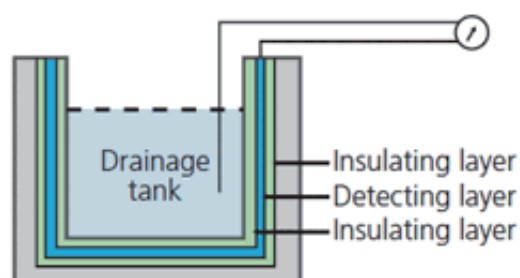
Item	Unit	Legal and Public Standards	Kyocera Group Environmental Management Standard	Self-Imposed Standard (e.g. Shiga Gamo Plant)
Hydrogen ion concentration (pH)	-	6.0-8.5	6.2-8.2	6.7-7.6
Biochemical oxygen demand (BOD)	mg/l	15	10	7.2
Chemical oxygen demand (COD)	mg/l	15	10	9.5
Suspended solid (SS)	mg/l	20	5	4.75
N-hexane extract weight	mg/l	3	1	0.95
Phenols content	mg/l	1	0.5	0.3
Copper content	mg/l	1	1	0.03
Zinc content	mg/l	1	0.5	0.21
Dissolved iron content	mg/l	10	5	0.42
Dissolved manganese content	mg/l	10	5	0.27
Coliform group number	colonies/ml	3,000	350	9
Nitrogen content	mg/l	8	8	6.5
Phosphorus content	mg/l	0.8	0.5	0.475

Leakage Detection System

An insulating layer and conductive-detecting layer are applied to the inner surface of the pipe or drainage tank. If the insulating layer is damaged, this system detects leakage according to a change in electrical resistance between the wastewater and the detecting layers.



**Double-Layered
Underground Tank Storage**



Leakage Detection System

Dealing with Emergencies

Assuming the inevitability of accidents and emergencies which may affect the environment, we have taken preventative countermeasures, such as the installation of dikes. We have also prepared procedures for dealing with emergencies. To ensure that employees are familiar with these procedures, we hold emergency training drills more than once each year.



Emergency training (Shiga Gamo Plant)

Environmental Regulations Compliance Status

In the Kyocera Group, no violations of environment-related legal regulations occurred in FY2013.

In April 2012, the US Environmental Protection Agency issued an administrative order to AVX Corporation, a Kyocera Group company in the United States. The details of this case are stipulated in the Annual Securities Report.

Environmental Accounting

The Kyocera Group established an Environmental Accounting System which has been in practice since FY2003. In its business activities, the Kyocera Group quantitatively assesses the cost laid out for environmental conservation and its conservation effects as well as economic benefits, and positively utilizes this information for environmental conservation measures.

[Range of data collection: 219 sites]

1. Sites collectively certified under the Kyocera Group Integrated Environment & Safety Management System: 194 sites
2. Dongguan Shilong Kyocera Co., Ltd. (China); Shanghai Kyocera Electronics Co., Ltd. (China); AVX Group (18 sites); KII Group (5 sites)

Period covered: April 2012 through March 2013

Guideline for reference: Ministry of the Environment's "Environmental Accounting Guidelines 2005"

Environmental Accounting Analysis Results (FY2013)

The environmental preservation costs (total of investment amount and expenses) amounted to a total of 6,777 million yen as a result of investments for reinforcement of wastewater treatment facilities at Shiga Yasu Plant and energy-saving activities at each plant. By concentrating our efforts on energy-saving measures, such as effective utilization of exhaust heat and introduction of energy-saving air-conditioning systems, the economic effects associated with environmental preservation effects reached 8,676 million yen.

Concept of Environmental Accounting

Double reporting of internal transactions is prevented in companies subject to data collection. For Group companies with an equity ratio not equal to 100%, data collection is performed by regarding the investment amount, expense amount, and environmental conservation effects as 100%.

Concept of Environmental Conservation Costs

For environmental conservation facilities, the investment amount and running costs are totaled. For environmental conservation activities, the expenses spent for such activities are totaled. Research and development costs included in costs for environmental conservation are included in fundamental research and development.

Definition of Environmental Conservation Effects and Economic Benefits

The economic benefits of environmental conservation efforts are computed only for cases in which there is clear, quantifiable evidence of an improvement in environmental conservation. The economic effects as a result of environmental conservation measures for research and development costs are not computed.

Changes in the aggregation method

For the FY2013 aggregate calculation onward, the aggregation method has been changed as follows:

- ◆ The criteria were reviewed so that tabulation items can be chosen in accordance with environmental burdens of each site.
- ◆ The build-up period of "The economic benefits of environmental conservation efforts was reviewed."
- ◆ The scope of aggregation of running costs at environmental conservation facilities was reviewed.

*The comparison with the previous year's performance is not posted because the aggregation method was changed.

Environmental Conservation Costs

(Unit: Million yen)

Cost Classification	Investment	Cost
	FY2013	FY2013
Business area costs	517	5,276
Pollution prevention costs	309	2,960
Global environmental conservation costs	183	1,061
Resource recycling costs	25	1,255
Upstream / downstream costs	0	219
Management costs	3	717
R&D costs	-	-
Social activity costs	0	39
Environmental remediation costs	0	6
Total	520	6,257

Economic Effects of Environmental Preservation Measures

(Unit: Million yen)

Item	FY2013
Income	2,559
Cost-cutting measures	6,117
Total	8,676

Cost-Effectiveness

(Unit: Million yen)

Item	FY2013
Expense amount excluding research and development costs	6,257
Economic effects resulting from environmental preservation measures	8,676
Cost-effectiveness	2,419

Environmental Conservation Effects

Effect Content	FY2013	Unit
Reduction of electricity	85,206	MWh
Reduction Tons- CO ₂ of fuel	11,565	kℓ (crude oil equivalent)
Reduction of greenhouse gases such as PFC	9,257	Ton-CO ₂
Reduction of water usage	23,857	1,000m ³
Reduction of chemical substances	12,858	Tons
Reduction of waste	36,326	Tons

Green Products: Environmentally Friendly Products

Green Products

The Kyocera Group strives for all of its products to be "Kyocera Environmentally Friendly Products."

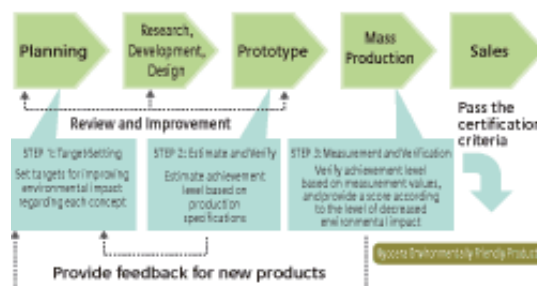


Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Promotion of environmental consciousness in products	<ul style="list-style-type: none"> Creation of new "Kyocera Environmentally Friendly Products" Application of Kyocera's Green Supplier System 	<ul style="list-style-type: none"> Certification of Kyocera Environmentally Friendly Products Certification of Kyocera Green Suppliers (number of certified companies: 667 suppliers) 	<ul style="list-style-type: none"> Creation of new Kyocera Environmentally Friendly Products (goal: 8 products) Application of Kyocera's Green Supplier System

Development of Environmentally Friendly Products

The Kyocera Group strives for all of its products to be Kyocera Environmentally Friendly Products.

Starting in FY2007, Kyocera launched and applied a system for evaluating environmental consciousness at the time of developing products and techniques in order to facilitate the manufacture of environmentally friendly products.



Environmentally Friendly Products

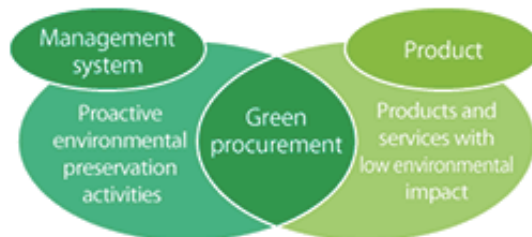
The Kyocera Group develops various environmentally friendly products such as fine ceramics and solar cells.



Green Procurement

To deal with increasing environmental problems, it is important that not only our Group companies but also the entire supply chain including suppliers take appropriate actions.

Kyocera established its Green Procurement Standard to purchase products and services with low environmental impact from suppliers proactively promoting environmental preservation activities. In this way, we are actively promoting green procurement activities.



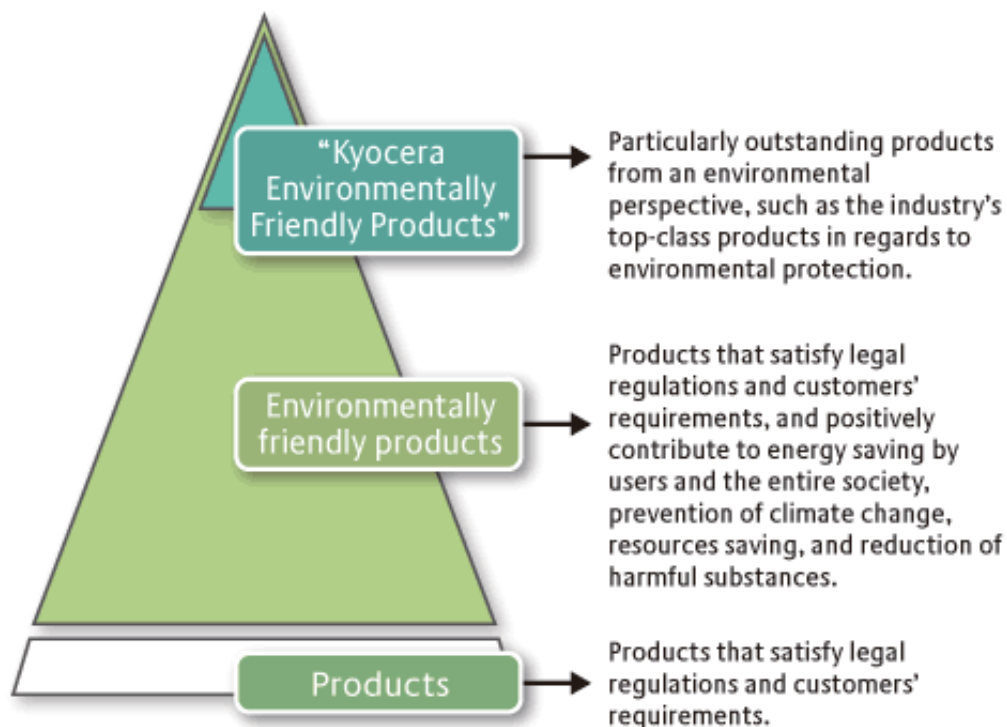
Development of Environmentally Friendly Products

The Kyocera Group strives for all of its products to be Kyocera Environmentally Friendly Products. Starting in FY2007, Kyocera launched and applied a system for evaluating environmental consciousness at the time of developing products and techniques in order to facilitate the manufacture of environmentally friendly products. In addition, since FY2011, Kyocera has been calculating environmental efficiency and factors to evaluate how much value was created while curbing the burden on the environment. We use this data as indices for product development.

Environmentally Friendly Products System

Kyocera will promote the development of environmentally friendly products so that we can continue to supply “Kyocera Environmentally Friendly Products” and “environmentally friendly products” to the world in the future.

Environmentally Friendly Products System

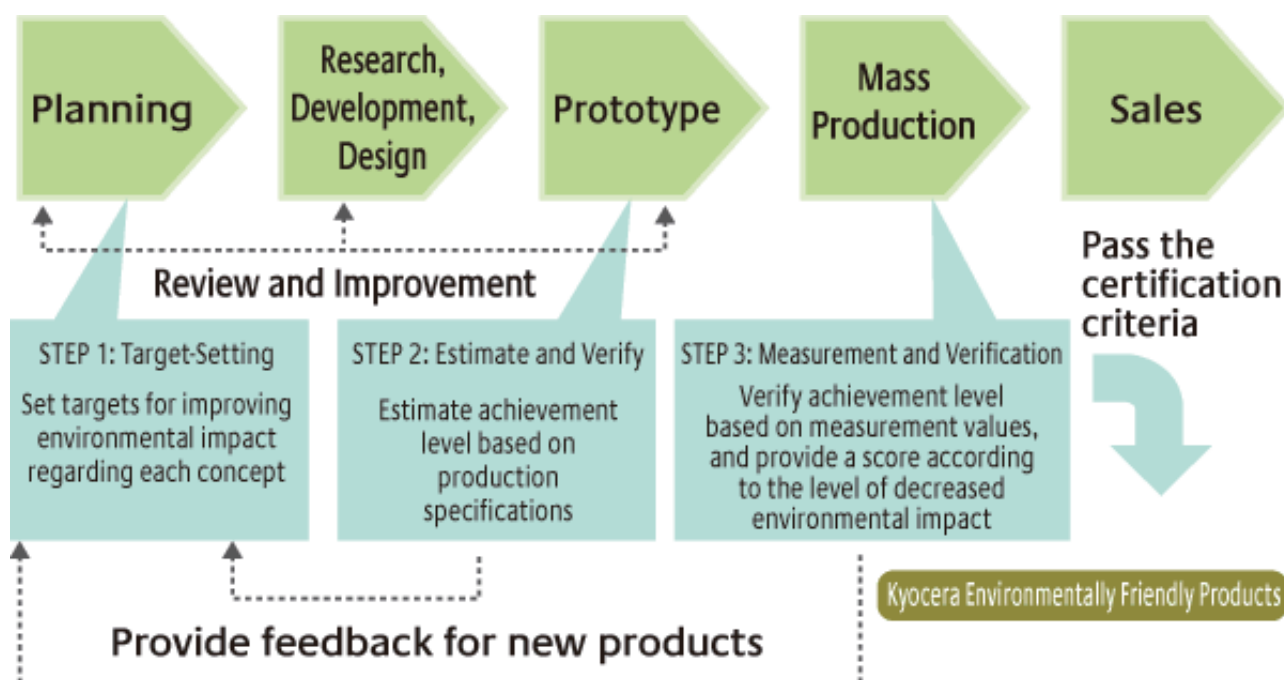


Creation of New “Kyocera Environmentally Friendly Products”

Kyocera certifies particularly outstanding products and technologies from an environmental perspective, such as the industry’s top-class products and technologies in regards to environmental protection, development of new markets, high innovativeness, uniqueness, breakthroughs, etc., as “Kyocera Environmentally Friendly Products.” The total number of certified products amounted to 259 in FY2013.

Environmental Assessment in Product Development

For research and development of new products and technologies, environmental consciousness is evaluated in the following three steps: planning, prototype creation, and mass production



Concept of Environmental Consciousness

Kyocera considers the three themes of "Global Warming Prevention and Energy Conservation," "Resource Recycling" and "Environmental Preservation and Safety" as high-priority issues. For each of these, we have established clear guidelines for environmental protection at the product development stage.

■ Concept of Lowering Environmental Impact

These products minimize environmental impact at all stages of the product life cycle, including manufacturing, sales, distribution, use, and disposal.

■ Concept of Contributing to Environmental Protection

These products allow customers and end-users to contribute to the reduction of environmental impact through use of our products.

Kyocera Environmentally Friendly Products



Examples of Certified "Kyocera Environmentally Friendly Products" (FY2013)

■ Glow Plug Heaters for Diesel Engines

Recent diesel engines provide better fuel economy, less CO₂ emissions, and higher power performance as compared to conventional gasoline engines, and have gained high popularity particularly in Europe, where at present about half of passenger vehicles are diesel-powered. In addition, in Europe, the world's most stringent emissions standard is imposed, and the state-of-the-art diesel passenger vehicles achieve an emission gas level that is cleaner than gasoline-powered vehicles. Kyocera's glow plug heaters achieve great durability using ceramic material with outstanding heat resistance and oxidation resistance, contributing to the maximization of fuel economy, etc., by improving exhaust gas of diesel passenger vehicles and enhancing the idling stop functions.



Glow plug heaters

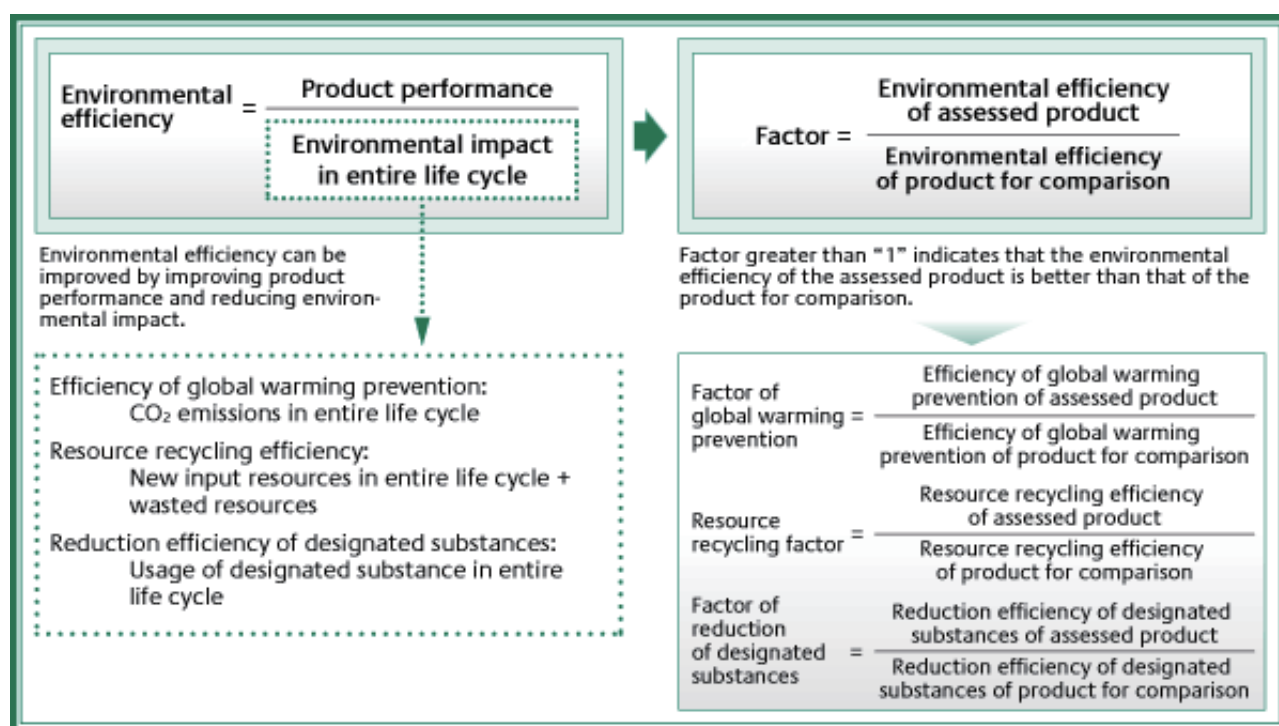
Expansion of “Environmentally Friendly Products”

“Environmentally friendly products” are developed with the aim of contributing to global environmental protection from the standpoint of users and the entire society, in addition to satisfying legal regulations and customers’ requirements. In FY2013, the application ratio of “environmentally friendly products” was 98.9%.

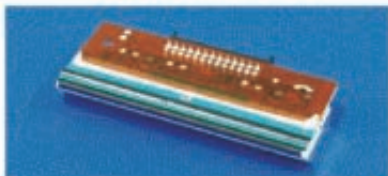
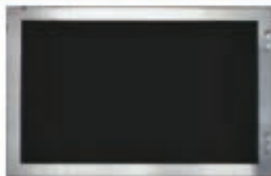
Environmental Efficiency and Factor

Regarding the value created by a product or service as the numerator and the environmental burden due to creation of the value as the denominator, “environmental efficiency” is an index comprehensively indicating both aspects of the value and environmental burden. Represented by a ratio of two kinds of environmental efficiency such as new and old products, “factor” is an index showing the degree of improvement of environmental efficiency. Utilizing these indexes, you can evaluate how much “affluence and value” can be created while curbing the burden on the environment.

Kyocera calculates “environmental efficiency” and “factor” for each of the three themes: “Climate Change Prevention and Energy Conservation,” “Resource Recycling,” and “Environmental Preservation and Product Safety” and uses them as indexes in product development.



Major Products for Calculation of Environmental Efficiency and Factor

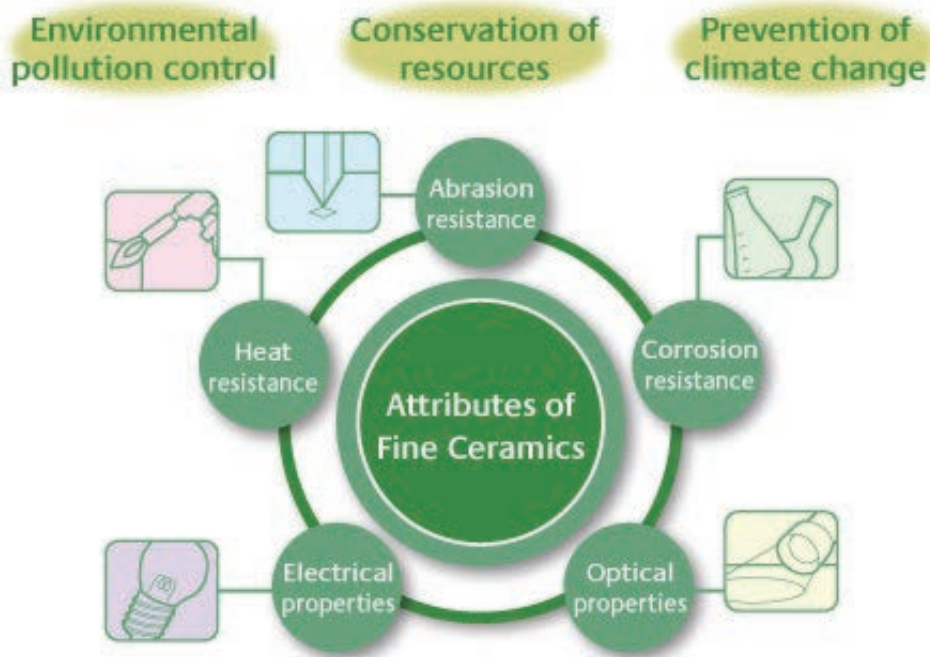
<p>Thermal printhead</p>  <p>Assessed product: KPE Series (For comparison: KBE Series)</p> <table> <tr> <td>Factor of climate change prevention</td> <td>1.33 ↑</td> </tr> <tr> <td>Resource recycling factor</td> <td>1.30 ↑</td> </tr> <tr> <td>Factor of reduction of designated substances</td> <td>6.63 ↑</td> </tr> </table> <p>[Improvement of product performance] Improvement of heating element density and printing efficiency</p> <p>[Reduction of environmental impact] Downsizing, process improvement, abolition of lead in glass Reduction of bromine-based flame retardant</p>	Factor of climate change prevention	1.33 ↑	Resource recycling factor	1.30 ↑	Factor of reduction of designated substances	6.63 ↑	<p>Liquid crystal display for use with industrial equipment</p>  <p>Assessed product: TCG085WVLCB-G00 (For comparison: TCG085WV1BF-G00)</p> <table> <tr> <td>Factor of climate change prevention</td> <td>1.44 ↑</td> </tr> <tr> <td>Resource recycling factor</td> <td>1.23 ↑</td> </tr> <tr> <td>Factor of reduction of designated substances</td> <td>1.00 →</td> </tr> </table> <p>[Improvement of product performance] Function equivalent to that of product for comparison</p> <p>[Reduction of environmental impact] Reduction of power consumption, thin and lightweight Process improvement, abolition of mercury in fluorescent tube</p>	Factor of climate change prevention	1.44 ↑	Resource recycling factor	1.23 ↑	Factor of reduction of designated substances	1.00 →
Factor of climate change prevention	1.33 ↑												
Resource recycling factor	1.30 ↑												
Factor of reduction of designated substances	6.63 ↑												
Factor of climate change prevention	1.44 ↑												
Resource recycling factor	1.23 ↑												
Factor of reduction of designated substances	1.00 →												

Environmentally Friendly Products

Kyocera Group develops various environmentally friendly products such as fine ceramics and solar cells.

Fine Ceramic Products

Fine ceramics, which are the core products of Kyocera, are used in various fields such as electronic devices, automotive components and industrial machinery due to their outstanding characteristics such as wear resistance, heat resistance, electrical and optical properties, as well as their ability to contribute to the prevention of climate change, resource saving and the prevention of environmental pollution.

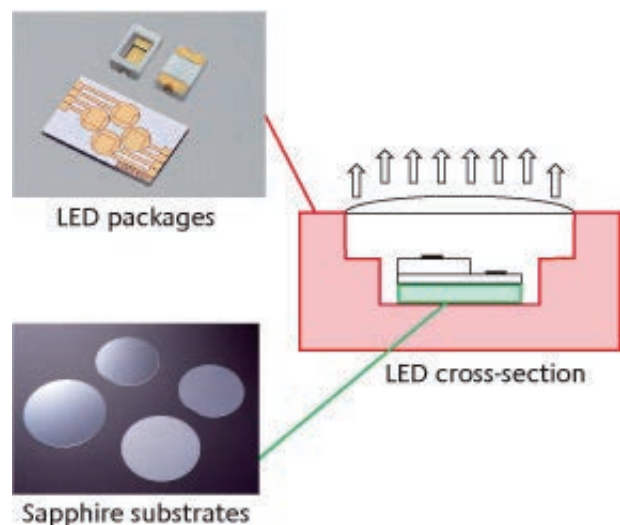


Ceramic Packages and Single-Crystal Sapphires

Demand for LED packages is soaring due to growing global demand for LEDs as environmental products.

An LED package contains an LED (light-emitting diode) semiconductor that emits light when electricity passes through. The LED package is a component that can be used in lighting and other equipment. Ceramic LED packages are one of Kyocera's specialties and we are concentrating on the production and sales of these products. Because ceramic materials efficiently disperse heat generated by the LEDs, they sustain long life and high reliability without diminishing LED luminance efficiency. Ceramic materials thus achieve high-luminance LEDs.

Single-crystal sapphires are used as LED substrates for applications such as mobile phones and backlighting in LCD TVs.



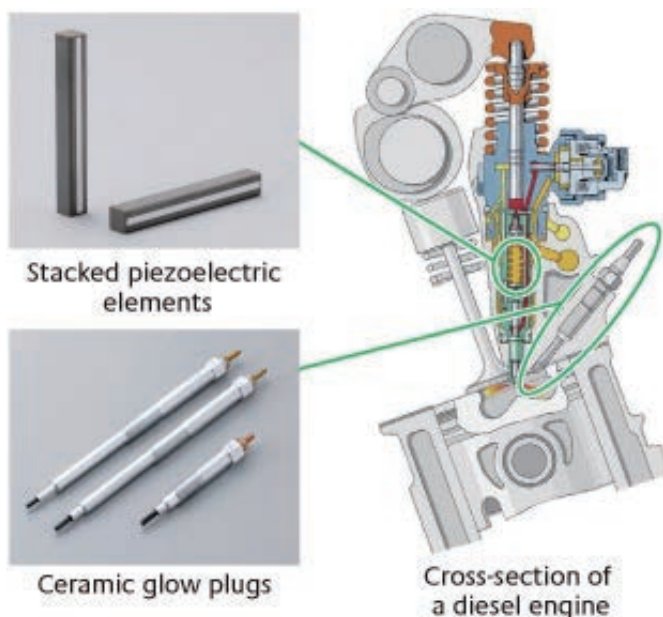
Glow Plugs and Piezoelectric Elements



With stronger regulations promoting the reduction of CO₂ emissions and gas emissions, Kyocera's glow plugs and stacked piezoelectric elements are being used as diesel engine components. In addition to their function to assist engine ignition, ceramic glow plugs contribute to an improvement in exhaust emissions.

Stacked piezoelectric elements employ piezoelectric ceramics, which tend to expand or contract when voltage is applied. As fuel injector components, piezoelectric elements contribute to the accurate control of high-pressure fuel injection and injection quantity.

These components not only contribute to fuel efficiency and CO₂ reduction, but also to reducing the emission of toxic substances in exhaust gases.



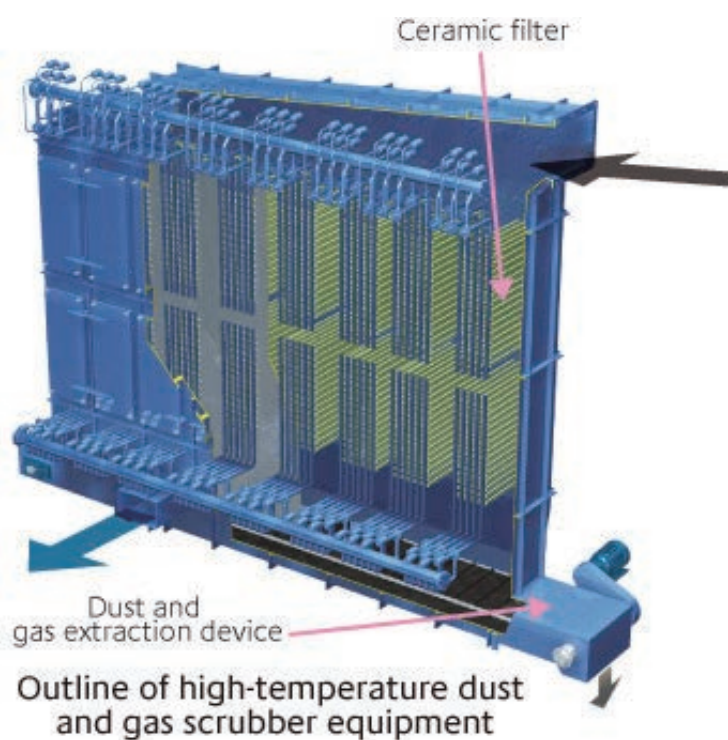
Ceramic Filters



Kyocera's ceramic filters support gas filters with outstanding heat resistance. They are used in exhaust gas processing equipment at large-scale waste incineration plants and other facilities, and are highly efficient for recycling exhaust heat energy.



Ceramic filter



Melting Aluminum Processing Components



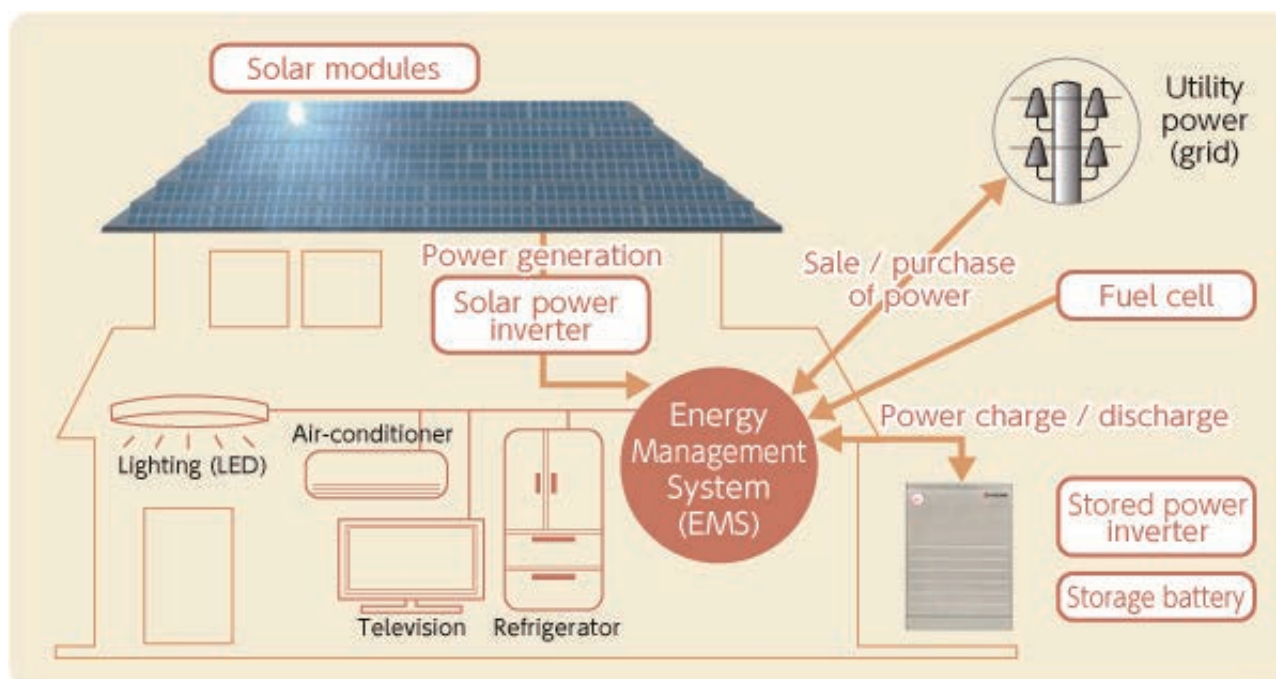
Kyocera's silicon nitride ceramic material features outstanding high-temperature strength, heat and thermal shock resistance as well as corrosion resistance. When used in molten aluminum smelting equipment for the production of automobile engines and aluminum wheels, silicon nitride extends the product life of components and reduces the risk of impurities entering molten metal. With such benefits, silicon nitride contributes to the reduction of waste and improves product quality.



Components used in melting aluminum

Energy Management System

Kyocera's energy management system (EMS) provides visual information on the state of power use in the home. This new system enables efficient use of energy through optimal control of solar power generating systems, storage batteries, fuel cells and other system elements. The state of energy use can be displayed simultaneously on multiple devices in the home, including PCs, TVs, smartphones and tablet PCs. Energy use in the home can thus be easily ascertained at any time. This system is useful for power peak shifts (leveling of demand) and peak cuts, and as a precaution for commercial grid power shortages and disasters.

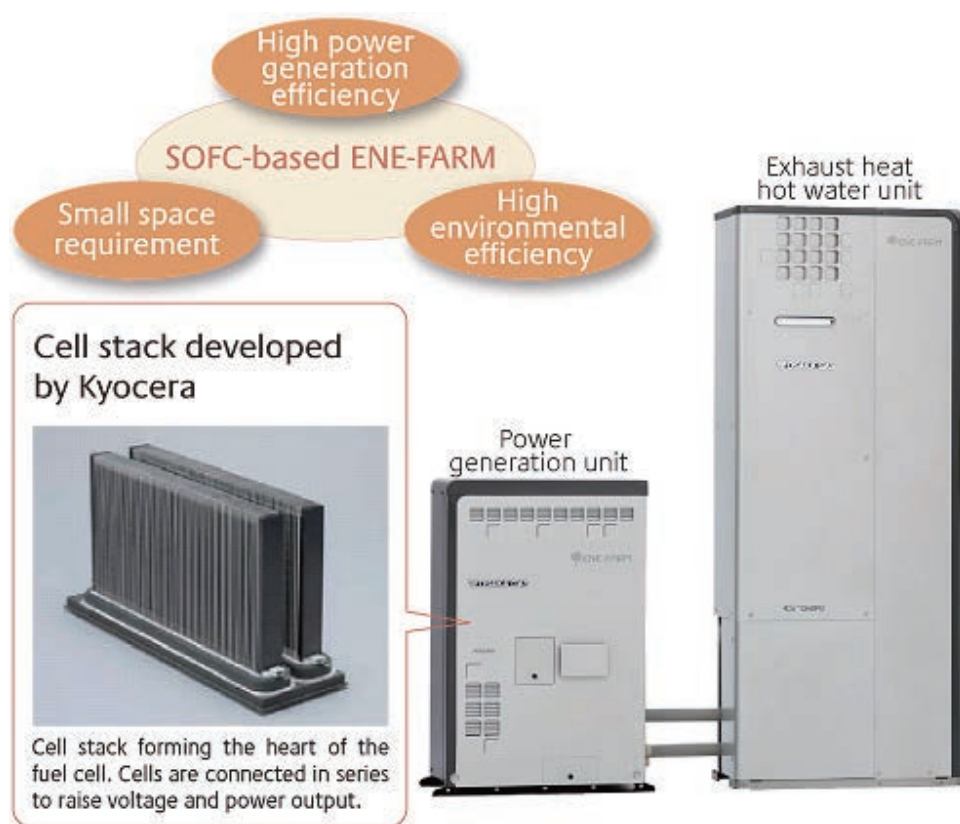


Energy Management System

Solid-Oxide Fuel Cell (SOFC)

A residential-use fuel cell has two parts — a power generation unit and a water heating unit that uses exhaust heat from the power generation unit. The fuel cell has high energy efficiency, and produces only extremely small amounts of the greenhouse gases CO₂, nitrous oxides, sulfur oxides or other byproducts. Use of the fuel cell as an environment-friendly system is expected to increase. Fuel cells differ depending on the material used in the cells at the heart of the system. Kyocera has developed solid-oxide fuel cells (SOFC) with higher power generation efficiency. By employing fine ceramics as the cell material, which feature outstanding heat resistance and durability, we have achieved the world's highest level* of generation efficiency. The fuel cell system is sold under the name "ENE-FARM Type S" by our joint developers, Osaka Gas Co., Ltd. and JX Nippon Oil & Energy Corp.

*Among domestic-use fuel-cell cogeneration systems (as of March 13, 2012)



LED Lighting

Kyocera's LED lighting uses white LED lamps as its light source. They produce light close to that of sunlight, thereby creating gentle and comfortable environments. They are bright enough for use in offices, conference rooms, convenience stores and other commercial shops, and are easily affixed to the ceiling with a slim and simple design. Color tones that can be changed according to use, and low power consumption compared to fluorescent lamps are just a few of the benefits of Kyocera's LED lighting. As our LED light packages use ceramic materials, they have an expected product life of approximately 100,000 hours. That is about 2.5 times longer than conventional LED resin packages.



Convenience store using Kyocera's LED lighting

User Comment

■ We selected Kyocera's LED lighting especially for its natural brightness and long product life.

"We chose LED lighting by Kyocera because of its color reproduction and longevity. Ordinary lighting appears harsh and a little cold, but Kyocera's lighting produces shades that are close to natural light, showing store products in their true colors. Another reason for our selection was because of the optimal brightness adjustment system. The lights are linked to sensors that detect ambient brightness and adjust the lighting depending on the weather and time of day. After the installation of this LED lighting, customers have remarked that the store feels very comfortable and that the lighting is gentle on the eyes."

(Convenience store manager)

Solar Power Generating Systems

Kyocera started research and development of solar cells in 1975 with the belief that solar power generation technologies were necessary as new clean energy sources that could substitute for petroleum and other fossil fuel resources. Since then, for over 35 years, Kyocera has consistently continued business activities and supplied solar energy products to markets all over the world, remaining steadfast regardless of changes in the social/business climate. The total quantity of solar modules which Kyocera had shipped to markets worldwide by the end of FY2012 amounted to about 3 gigawatts, contributing to a reduction of approximately 22,450,000 tons of CO₂ emissions (estimated by Kyocera). Kyocera will continue to work for the prevention of climate change by positively deploying our solar energy business and will remain committed to solutions for environmental issues.

Launching of its Highest-Output Solar Module for Domestic Residential Use^{*1}

Kyocera commercialized a 200-watt high-output solar module in November 2012, which provides the highest^{*1} output in solar modules developed for domestic residential use. The module has been mass produced using Kyocera's new high-efficiency multicrystalline silicon solar cells which have achieved the world's highest^{*2} cell conversion efficiency at 17.8% for residential use in Japan.

Incidentally, the new product will be released as part of the new lineup in the residential solar power system "ECONOROOTS®"^{*3} Series, which is being developed for the domestic market.

^{*1} ^{*1}: In Kyocera's standard lineup of solar modules for domestic residential use.

^{*2} As of October 2012, among multicrystalline silicon solar cells (mass production level).
Data obtained by Kyocera

^{*3} "ECONOROOTS" is a registered trademark of Kyocera Corporation.



High-output solar module
(200-W)

Supplying Large-Scale Solar Power Generating Systems

Kyocera has completed an agreement with IHI Corporation and Mizuho Corporate Bank, Ltd. to build and operate a 70-megawatt solar power generation plant (“mega-solar”) project in Nanatsujima, Kagoshima City (southern Japan). This solar plant will become the largest in Japan*¹, with all multicrystalline silicon cell high-output modules to be supplied by Kyocera.

The annual electric energy output is anticipated to be about 79,000 MWh, which is the equivalent power for roughly 22,000 average households*², and will help to offset roughly 25,000 tons*³ of CO₂ per year.



Kagoshima Nanatsujima mega-solar power plant

*¹ As of April 9, 2012; based on the official announcement

*² Based on an average use of 3,600 kWh per household Source: “Denki-no-Hiroba”(Electricity Forum) of the Federation of Electric Power Companies in Japan

*³ Based on calculations derived from “Industry-level Self-regulations on Labeling” provided by the Japan Photovoltaic Energy Association

In cooperation with SB Energy Corp, a group company of SoftBank Corp. in charge of implementing clean energy projects, Kyocera has supplied 4.2 MW of solar modules for the SoftBank Kyoto Solar Park, the first mega-solar power plant in Kyoto Prefecture, Japan. The annual power output is about 4,200 MWh, equivalent to an annual power consumption rate of approximately 1,000 households*⁴.

*⁴ Based on calculation of 4,193 kWh per household. (Source: Global Warming Prevention Measures Section, Environmental Policy Bureau, Kyoto Municipal Government)

Furthermore, Kyocera supplied 6 MW of solar modules to a solar power plant in Cigliano, Piedmont, Italy, constructed by ENERMILL Energie Rinnovabil s.r.l., the largest solar power operator in Italy.



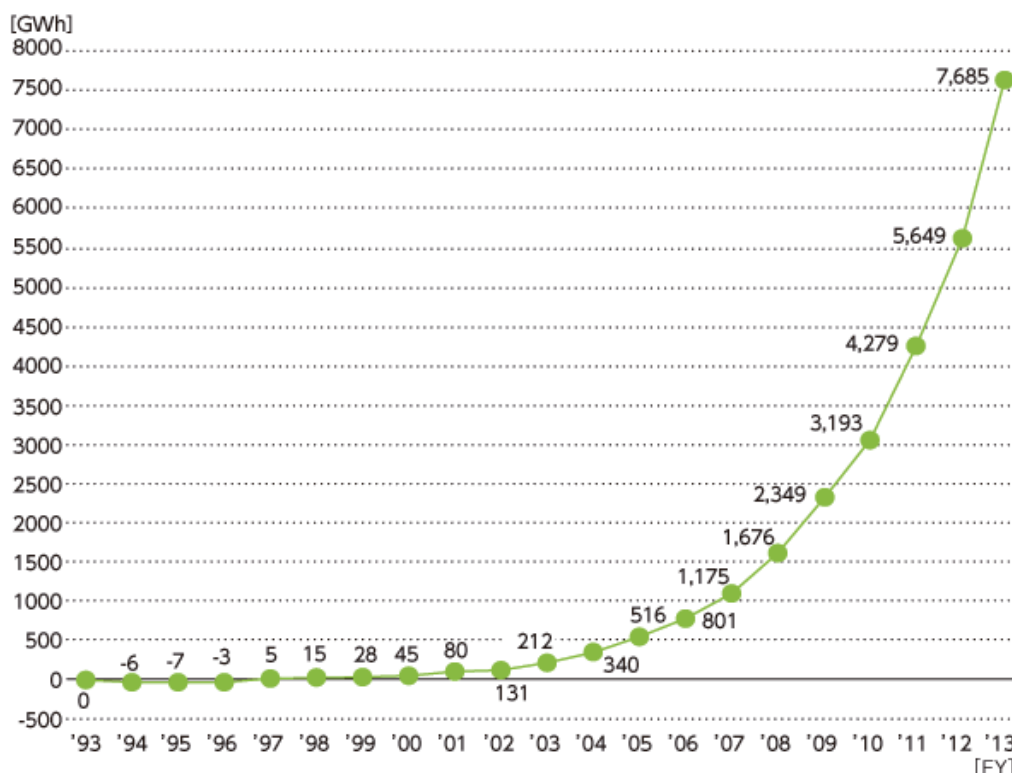
Solar power plant in Cigliano, Piedmont, Italy

Energy Creation Effect of Solar Cells

The energy creation effect is the difference obtained by subtracting electric energy used during production^{*1,2} from the accumulated electricity generated after installation^{*3}. The total electricity consumed when producing a 1-kW solar power generating system is approximately 1,550 kWh. This solar power generating system produces 20,640 kWh of electricity in 20 years (service life). Hence, the energy creation effect per 1 kW is 19,090 kWh. Solar modules that Kyocera has produced and sold thus far amount to 2,963 MW, and the energy produced by these reach a total of 5,649 GWh. The CO₂ emission reduction effect after 20 years of power generation will be 22,448,000 tons^{*4}. This corresponds to about 25.1% of the amount of carbon dioxide absorbed by all forests in Japan per year^{*5*6}. Energy creation effect of the solar power generating system

$$\text{Energy creation effect of the solar power generating system} = \text{accumulated electricity after installation}^{\ast 1} - \text{used electric energy during production}^{\ast 2 \ast 3}$$

Electric Energy Created



*1 Calculated from the average of expected power at 16 sites around the country in a simulation by Kyocera Corporation.

*2 The estimated amount of electricity used during production is calculated (system scale 30 MW/year roof mount) with an energy payback period of 2.2 years for a single-year output of less than 100 MW and an energy payback period of 1.5 years for 100 MW or more, along with a 20-year expected lifetime (Source: "Survey Research of Solar Power Generation Assessment" FY1997 NEDO Commissioned business working paper (Photovoltaic Power Generation Technology Research Association), March 1997). Because annual production currently exceeds 100 MW at Kyocera, the estimated amount of electricity during production is calculated with an energy payback period of 1.5 years.

*3 The estimated amount of electricity used during production for solar power generation systems that were shipped from 1992 to 2010 was recorded in the year when the products began to generate electricity (Example: The amount of produced electricity in 1992 was recorded in 1993).

*4 Calculated at 360g-CO₂ per kWh.

*5 The CO₂ sink by 1ha (10,000m²) of forest is 3.57 tons-CO₂ (Source: Solar Power Generation Introduction Guidebook < Main > 2000 Revised Edition NEDO).

*6 Calculated assuming that the forest area in Japan is 251,000km² (Source: Forestry Agency "Present State of Forest Resources (as of March 31, 2007)").

Cutting Tools

Kyocera's cutting tools are used in a broad range of manufacturing fields, such as the automotive industry, precision processing of IT-related components, due to their superb strength and outstanding abrasion resistance. In addition, Kyocera's cutting tools offer unrivalled advantages, including a beautiful finish on the cut surfaces, and long life of tools themselves, etc.



Recycling of Used Cutting Tools and Tip Cases

Kyocera collects and recycles cutting tools and tip cases after use at users' production sites. Kyocera is actively involved in the reduction of waste and effective utilization of resources by properly recycling collected tips and tip cases for relevant applications, such as material powder and RPF (refuse plastic fuel), slag used for roadbed material, and others.



Document Equipment

Kyocera Document Solutions, Inc. delivers document equipment that is environmentally friendly, reduces running costs, and achieves increased operational efficiency.

Smart MFPs Contribute to Energy Saving in the Office

In 1992, before environmental issues were widely a point of focus, Kyocera introduced the first ECOSYS printer FS-1500. ECOSYS can be used through its entire life by simply replenishing the toner. It produces little waste and achieves low running costs, satisfying both ecological and economical goals. Kyocera further evolved this concept and marketed the Smart MFP* TASKalfa 255c/205c (color) and TASKalfa 305/255 (monochrome) which are friendly to both humans and the environment.

*Multifunctional product

Standby Power Consumption Reduced to 1W or Less.

At offices, multifunctional printers are always on standby mode with the power constantly on. By adopting a newly developed energy-saving controller, standby power consumption of less than 1-watt is achieved.

Reduced Power Consumption During Operation

Through various modifications, such as adopting LEDs as light sources for irradiating papers at the time of duplication and using IH for fusing images with heat, power consumption has been greatly reduced. 43

Further Comfort in the Office

In small-scale offices, it is frequently the case that workers' desks are located extremely close to the shared MFP and that operating noise may be bothersome. The Kyocera Group worked on noise reduction by sealing the drive unit and achieved optimal sound reduction of less than 60 dB.

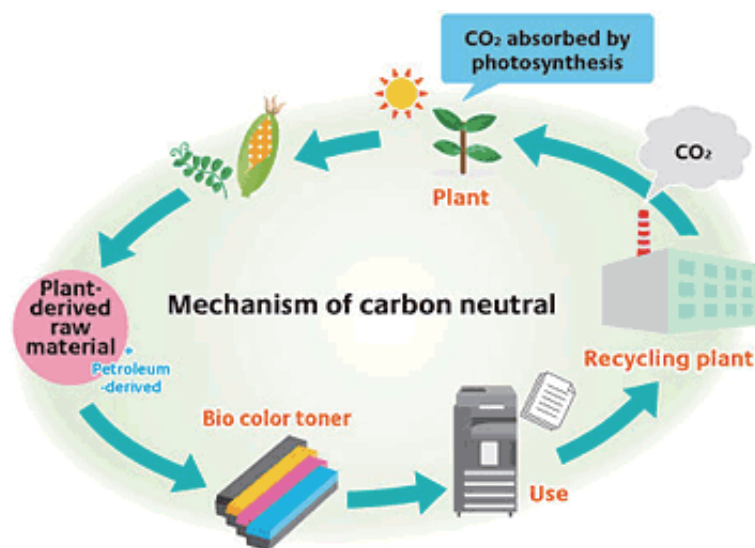


Smart MFP TASKalfa 255c

Biomass Color Toner that Satisfies the Goals of Both Ecology and High-Quality Imaging

In color toners used by printers and MFPs, the Kyocera Group succeeded in developing a biomass color toner from plant-derived materials for the first time in the world, by employing toner control technology unique to Kyocera Document Solutions Japan Inc. In FY2013, we plan to market a special purpose system using this toner.

The use of plant-derived materials can reduce CO₂ emissions generated at the time of disposal-incineration of toner components by about 30%* as compared to conventional toners which are made from petroleum-derived materials. The biomass color toner has obtained the BiomassPla Certification mark that allows this toner to be used for products that comply with the the BiomassPla Identification and Labeling system prescribed by the Japan BioPlastics Association.



*The CO₂ produced when disposing and incinerating plant-derived raw materials represents the same amount of CO₂ that is absorbed from the atmosphere in the growth process of plants. Therefore, the toner using plant-derived raw materials is carbon neutral, meaning that it will not affect the total amount of CO₂ in the atmosphere.



Biomass color
logo mark



BiomassPla
Certification mark



Biomass color toner



FS-C5250DN Type bio

Organic Material

Kyocera Chemical Corporation has actively worked on technological themes related to global environmental preservation in researching, developing, and producing various organic chemical materials from early on.

Kyocera Chemical promotes the development of halogen/antimony-free flame-retardant materials, lead-free mounting materials, low VOC materials, and other environmentally friendly materials while promoting activities such as recycling of production materials. Furthermore, Kyocera Chemical is carrying forward material development that will contribute to the realization of a low-carbon society. One such activity is the development of transparent encapsulation material for LED devices.

Clear Encapsulation Material for LED Devices

LEDs have a higher luminance efficiency and a larger light intensity at low power consumption compared to conventional incandescent lamps. Consequently, LED devices are effective in reducing CO₂ emissions, thus higher demand for such products is expected in future lighting applications.

LEDs contain an element made of gallium compound encapsulated with clear resin, and the properties of such encapsulation resin have an affect on the service life. Kyocera Chemical contributes to the realization of a low carbon society by supplying clear encapsulation material that can maintain high transparency over a long period of time with materials at a preferred price range.



Clear encapsulation material for LED devices

Halogen-Free Material

Halogenated elements, such as chlorine, bromine, and others, may produce harmful substances such as dioxin when burned. Their use is controlled according to regulations for chemical substances all over the world, with Europe as a leader.

Kyocera Chemical has developed a wide variety of halogen-free* materials that conform to such legal regulations and contribute to a reduction in the environmental burden caused by the use of chemical substances.

* Based on the standard values of the Japan Electronics Packaging and Circuits Association (JPCA).



Molding compounds for semiconductor encapsulation

Low-VOC Material

VOC (volatile organic compounds) is the generic name for organic compounds which are highly volatile and turn into vapor in the atmosphere, including toluene, xylene, and many other substances. VOC is considered to be one of the causes of suspended particle matters and photochemical oxidant, which are suspected to affect human health. In the insulation varnish field, where varnish is used for insulation of motors, Kyocera Chemical has developed and markets styrene-free varnishes that reduce VOC generation to 1/50 or less that of conventional products, as well as greatly reduce odor.



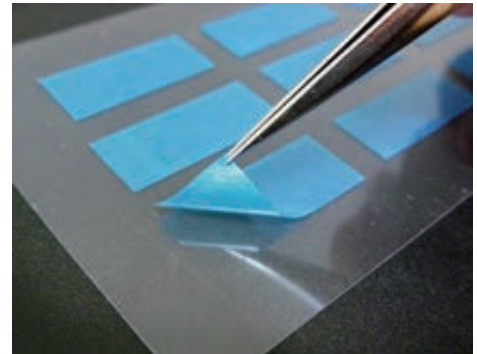
Insulation varnish

Resin Bonding Sheets

Kyocera Chemical Corporation works hard on technological themes related to global environmental conservation while researching, developing, and producing various organic chemical materials.

The sheet-form thermosetting epoxy resin “TOROKERU Bonding Sheet” requires no special device or preliminary process as compared to conventional liquid-form adhesives. The sheet form ensures easy operation as merely heating can achieve bonding. These excellent features can shorten the manufacturing process. “TOROKERU Bonding Sheet” can be applied to components of any shape and material, and since the sheet hardens at low temperature, it can be used for components with weak heat resistance.

In addition, “TOROKERU Bonding Sheet” uses halogen-free special thermosetting epoxy resin with outstanding durability and heat resistance, which withstands solder reflow after the sheet absorbs moisture. “TOROKERU Bonding Sheet” does not contain nor emit solvents during hardening.

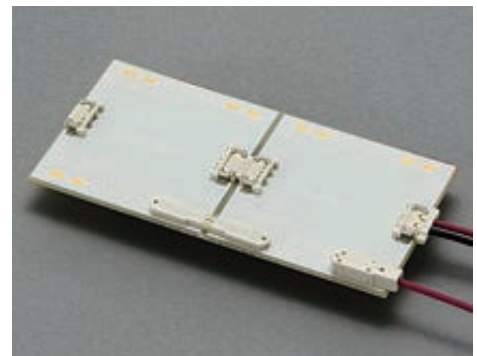


Sheet-form thermo-setting epoxy resin
“TOROKERU Bonding Sheet”

Connectors

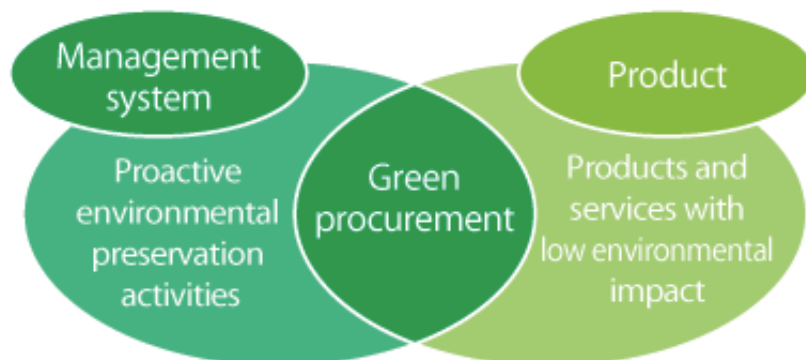
As compared with conventional incandescent lamps, LEDs have a high luminance efficiency and provide more light with low power consumption. Therefore it has drawn attention for effectively reducing CO₂ emissions. Kyocera Elco Corp.'s 9608 and 9609 series are connectors for LED lighting and LED backlights which have realized the lowest height in the industry* of 1.4mm, designed so that it does not obstruct the distribution of light. It also contributes to reduced environmental burden as it complies with the RoHS Directive and is halogen free.

*As of January 25, 2011 (based on research by Kyocera Connector Products Corp.)



Green Procurement

To deal with increasing environmental problems, it is important that not only our Group companies but also the entire supply chain including suppliers take appropriate actions. Kyocera established its Green Procurement Standard to purchase products and services with low environmental impact from suppliers proactively promoting environmental preservation activities. In this way, we are actively promoting green procurement activities.



Promotion of Green Procurement

Kyocera established its Guidelines for Green Procurement starting with requests to suppliers for green procurement, and is promoting green procurement with the support of such suppliers. The Guidelines for Green Procurement specifies that we will check suppliers' activities toward protection of the environment and environmental burdens (the chemical substances that are contained, etc.) on products to be purchased from them.

In April 2013, we created and introduced a new system utilizing a Web server in order to quickly and reliably examine chemical substances contained in purchased products.

Application of this system has enabled us to examine and identify chemical substances in products more efficiently and accurately.

Application of Kyocera's Green Supplier System

At Kyocera, we certify suppliers who are able to cooperate with us in producing environmentally friendly products as Kyocera Green Suppliers, based on surveys and audits regarding our suppliers' environmental activities and control of chemical substances in products.

In FY2012, we completed the first round of surveys and audits. Approximately 88% of about 700 target suppliers received the "Excellent" rating (satisfactory in both environmental protection activities and control activities for chemical substances in products). In FY2013, the second round of surveys and audits was initiated, and approximately 95% of suppliers received the "Excellent" rating thanks to their positive improvement activities. With the cooperation of our suppliers, we aim to strengthen our management system for chemical substances in products.

Conforming to Environmental Product Regulations

In recent years, in many countries, laws and regulations have been established to control and restrict the use of chemical substances in order to prevent human impact and environmental contamination. The Kyocera Group reports information on related laws and regulations to each operating division at the Environmental Product Quality Subsection led by the Kyocera Green Committee to share information and review company-wide policies. Each operating division collects and investigates information on chemical substances contained in purchased materials and controls chemical substances in manufacturing processes in order to comply with related laws and regulations.

Complying with European RoHS Directive

We established the Kyocera Group Global Policies for RoHS Directive in February 2006. We are also working to comply with the RoHS Directive for products to be shipped to North America, Japan and China in addition to Europe.

Complying with REACH

To strictly observe the European chemical substance control standard known as REACH, which was enforced in June 2007, Kyocera is developing measures in cooperation with its Group companies in Europe.

Also, all substances of very high concern (SVHC) registered by the end of December 2012 have been included in our Guidelines for Green Procurement. We have conducted research on SVHC contained in our products and are making every effort to achieve thorough communications within Europe.

Green Factories: Environmental Consciousness at Plants and Offices

Green Factories

The Kyocera Group is conducting activities to prevent climate change and utilize limited energy resources more effectively.



Topics	FY2013 Goals	FY2013 Results	FY2014 Goals
Promotion of environmental consciousness at plants and offices	<ul style="list-style-type: none"> Reduction of greenhouse gas emission, total energy consumption, water consumption and industrial waste discharge per net sales 	<ul style="list-style-type: none"> Reduction of greenhouse gas emissions per net sales (up 10.5% from FY2012) Reduction of total energy consumption per net sales (down 5.8% from FY2012) Reduction of water consumption per net sales (down 6.9% from FY2012) Reduction of industrial waste discharge per net sales (down 10.8% from FY2012) 	<ul style="list-style-type: none"> In all production sites, 1% or more improvement rate per net sales from FY2013 will be achieved in terms of greenhouse gas emissions, energy consumption, water consumption and waste discharge.

Energy Conservation and Prevention of Climate Change

Increased energy consumption has an impact on the environment, including negative effects such as climate change. We share the task of using limited energy resources more effectively, including energy use in industrial activities. The Kyocera Group set a greenhouse gas reduction target and goals for low-carbon society contribution factors, and we are implementing various measures to prevent climate change, such as energy-saving in our business activities.



LED lighting

Resource Conservation

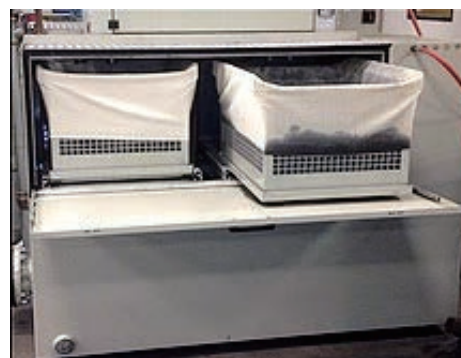
The Kyocera Group establishes specific targets and rolls out positive activities in order to use limited resources effectively and contribute to global environment protection.



Electric vehicle

Waste Reduction and Recycling Measures

Working towards a recycling-based society, the Kyocera Group has set basic policies for waste reduction since FY1992, and expanded activities aiming to minimize industrial waste.



Tungsten sludge recovery unit

Chemical Substances Management

Some chemical substances cause environmental pollution and can affect human health and the ecosystem as a result of long-term accumulation. To manage these substances, we have established a chemical substances control system to accurately gauge and minimize emissions of chemical substances of hazard concern to the atmosphere and water systems, transferred amount contained in waste, etc.



Scrubbers

Kyocera Group's Environmental Impact at Each Site

Environmental impact data of individual Kyocera Group offices and plants is available.



Energy Conservation and Prevention of Climate Change

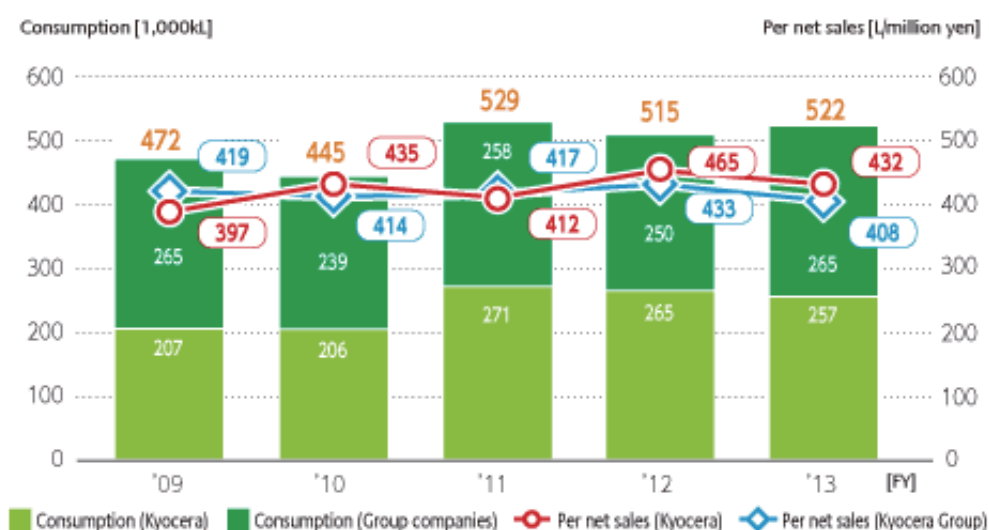
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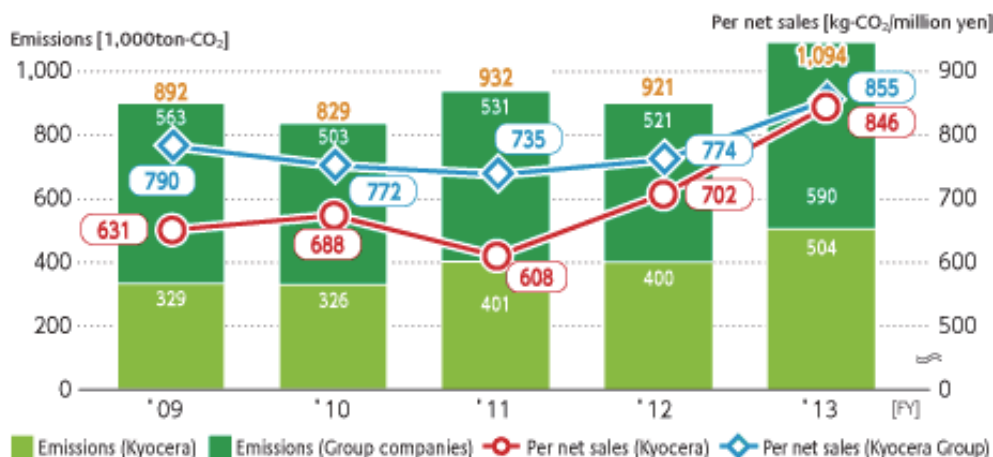
Energy Saving and Reduction of Greenhouse Gas Emissions

The Kyocera Group's total energy consumption was reduced by 5.8% as compared to FY2012 by introducing high-efficiency turbo refrigerators and implementing measures such as utilization of compressor exhaust heat. However, our greenhouse gas emissions increased by 10.5% due to a decrease in the emission factor announced by electric power companies, which was influenced by the shutdown of nuclear power plants in Japan.

Total Amount of Energy



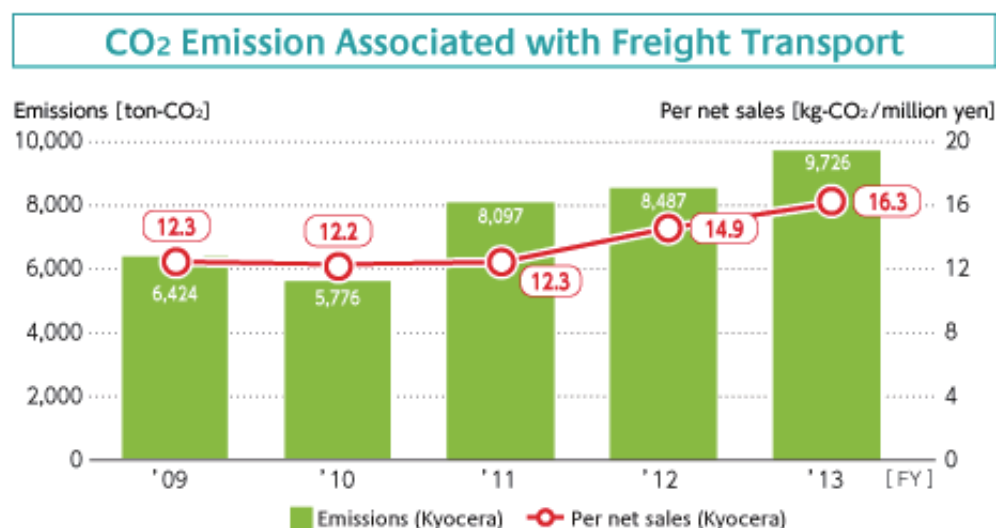
Greenhouse Gas Emissions



- From FY2009, emission coefficients are calculated based on the Act on Promotion of Global Warming Countermeasures.
- Greenhouse gas means CO₂, CH₄, N₂O, PFC, HFC, and SF₆.
- Figures for overseas facilities are calculated using the emission coefficients of electricity for each country in IEA CO₂ EMISSIONS FROM FUEL COMBUSTION Highlights (2012 Edition).

Efforts to Reduce CO₂ Emission Associated with Freight Transport

The Kyocera Group took actions such as shortening transportation routes and consolidating freight to reduce transportation frequency. However, increases in outsourced processing and overseas procurement led to a 9.4% rise in CO₂ emissions per net sales associated with freight transport as compared to FY2012.



Growing “Green Curtains”

The Kyocera Group promotes “Green Curtains” which block strong summer sunshine and suppress rises in indoor temperature by covering windows and outer walls with bitter melon, sponge melon, Japanese morning glory and other climbing plants. In FY2013, Green Curtains were grown at 28 plants and offices in Japan and two overseas facilities. In total, the Green Curtains add up to a length of 830 m, about 1.3 times that of Tokyo Skytree and an area of 3,417 m² (equal to about 13.1 tennis courts), achieving 12,000 kg of CO₂ reduction.



Green Curtains (Kagoshima Kokubu Plant)

Examples of FY2013 Activities (Energy Conservation and Prevention of Climate Change)

Installation of Solar Power System

The Kyocera Group has introduced a solar power system into facilities at home and abroad, such as the Kyocera Head Office Building and KYOCERA International Inc., Kyocera's holding company in North America. In FY2013, in Shiga Yokaichi Plant and Shanghai Kyocera Electronics Co., Ltd., solar power systems were expanded, and the solar power systems introduced in the Kyocera Group at home and abroad have exceeded 2.7 MW. As a result, the CO₂ reduction effect achieved has reached 1,248 ton-CO₂/year. We will continue to actively introduce solar power systems to all facilities of the Kyocera Group in the future, too, and promote reduction of CO₂ emissions in our business activities.

In Japan



■ Hokkaido Kitami Plant (115 kW)
(introduced in FY2011)



■ Fukushima Tanagura Plant (230 kW)
(introduced in FY2011 and expanded in FY2012)



■ Chiba Sakura Plant (43 kW)
(introduced in FY1985)



■ Nagano Okaya Plant (53 kW)
(introduced in FY2011)



■ Mie Ise Plant (80 kW)
(introduced in FY2005)



■ Shiga Gamo Plant (141 kW)
(introduced in FY2011)



■ Shiga Yokaichi Plant (457 kW)
(introduced in FY2006, expanded in FY2011, FY2012 and FY2013)



■ Shiga Yasu Plant (90 kW)
(introduced in FY2011)



■ Kagoshima Sendai Plant (158 kW)
(introduced in FY2011)



■ Kagoshima Kokubu Plant (112 kW)
(introduced in FY2006)



■ Kagoshima Hayato Plant (40 kW)
(introduced in FY2006)



■ Head Office (214 kW)
(introduced in FY1999)



■ Yokohama Office (58 kW)
(introduced in FY2012)



■ Kyocera Document Solutions Inc.
Head Office (12 kW)
(introduced in FY2008)



■ Kyocera Document Solutions
Inc.'s Tamaki Plant (50 kW)
(introduced in FY2011)



■ Kyocera Document Solutions Inc.'s
Hirakata Plant (60 kW)
(introduced in FY2006)



■ Kyocera Connector Products
Corp. Head Office (130 kW)
(introduced in FY2012)

Overseas



■ KYOCERA Document Solutions
Espana S. A. (Spain) (36 kW)
(introduced in FY2008)



■ KYOCERA International, Inc.
(America) (279 kW)
(introduced in FY2006)



■ KYOCERA Document Solutions
Deutschland GmbH. (Germany) (15.6 kW)
(introduced in FY2008)



■ Shanghai KYOCERA Electronics
Co., Ltd. (China) (155 kW)
(introduced in FY2010 and
expanded in FY2013)



■ KYOCERA (Tianjin) Solar
Energy Co., Ltd. (China) (93 kW)
(introduced in FY2011)



■ KYOCERA Solar Europe s.r.o. (Czech
Republic) (8 kW)
(introduced in FY2006)



■ KYOCERA Mexicana, S.A. de C.V. (Mexico) (100 kW)
(introduced in FY2011)

Introduction of High-Efficiency Equipment

At Kagoshima Sendai Plant, a high-efficiency heat recovery type turbo refrigerator and an inverter turbo refrigerator were newly introduced and at the same time, the equipment operating method was reviewed to reduce CO₂ emissions.

[Annual CO₂ reduction amount]
2,273 ton-CO₂ [Kagoshima Sendai Plant]



Turbo refrigerator (Kagoshima Sendai Plant)

Reduction of CO₂ Emissions by the Use of Exhaust Heat

In Shiga Yasu Plant, vapor was used to heat industrial water, but in order to utilize compressor waste heat, a heat exchanger was newly installed and steam consumption was reduced. In addition, in Shanghai KYOCERA Electronics Co., Ltd. located in China, in the production line using vapor, exhaust heat from the vapor drain was recovered and reused as a heat source, thus promoting a reduction of CO₂ emissions.

[Annual CO₂ reduction amount]
1,073 ton-CO₂ [Shiga Yasu Plant]
600 ton-CO₂ [Shanghai KYOCERA Electronics Co., Ltd.]



Heat exchanger (Shiga Yasu Plant)

Introduction of LED Lighting

Kyocera has introduced straight tube LED lighting (Kyocera-products) in order to save energy used for lighting. In FY2013, about 7,000 straight tube LED lighting lamps were installed with special emphasis placed on areas in plants and offices where lights are kept on for a long time. In the future, too, we will continue to actively introduce LED lighting.

[Annual CO₂ reduction amount]

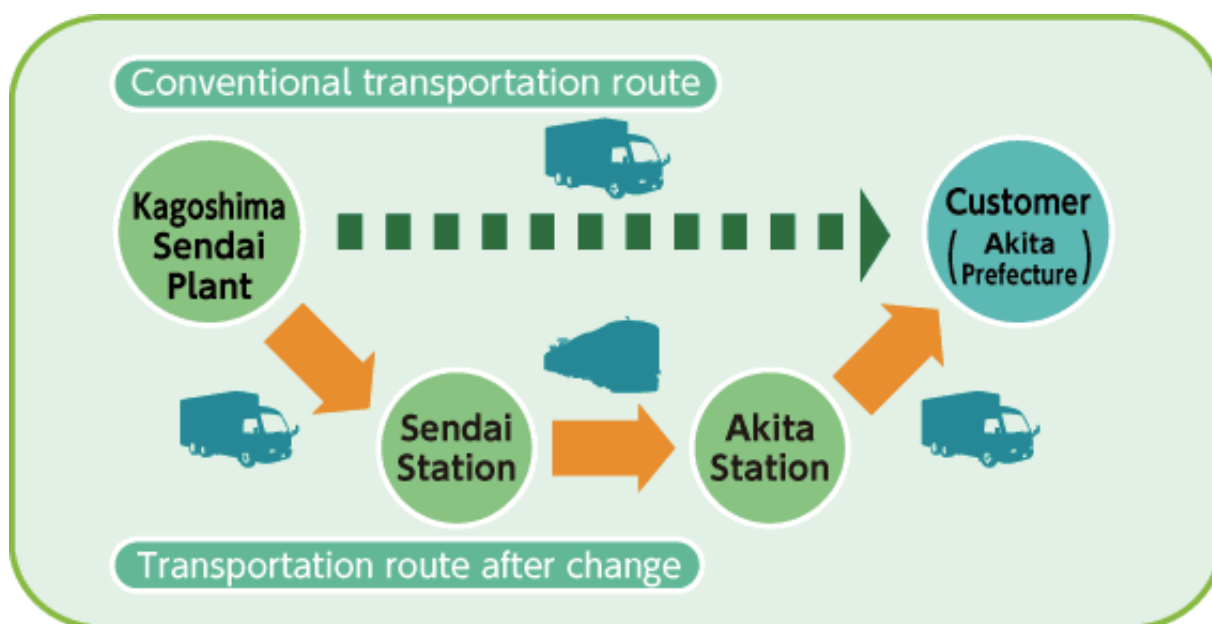
420 ton-CO₂



LED lighting (Kyocera Head Office)

Reduction of CO₂ Emissions by Improving Product Transportation

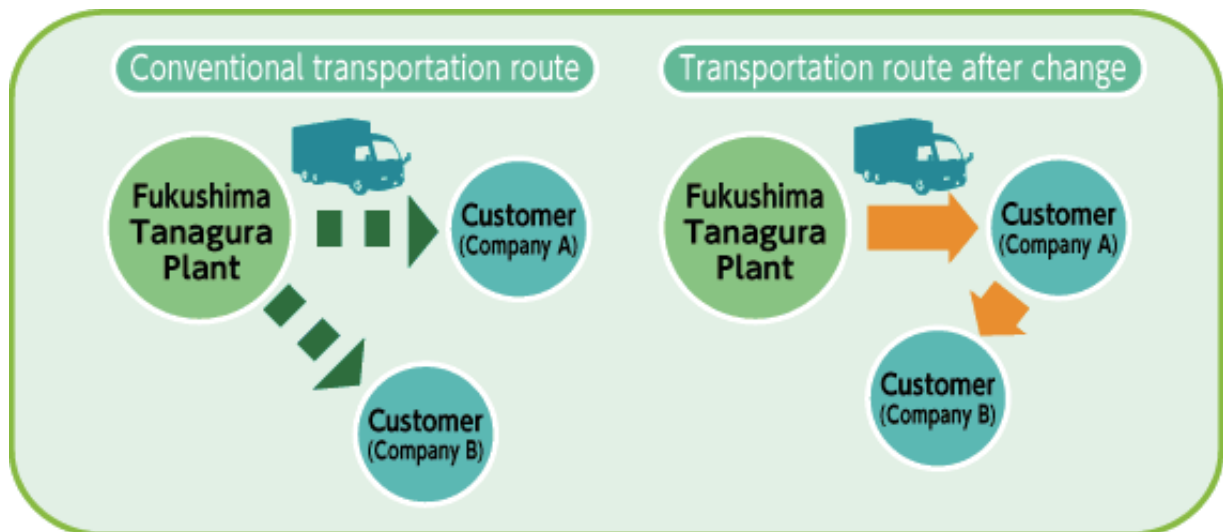
At Kagoshima Sendai Plant, used cutting tools are transported to a recycle dealer in Akita Prefecture. Previously, they had been transported by truck but we have now initiated a modal shift to transportation by railway.



[Annual CO₂ reduction amount]

5,097 kg-CO₂

At Fukushima Tanagura Plant, trucks were prepared and used to transport mobile phones for each customer. However, goods are now consolidated and transported using the same truck, thus reducing the transportation frequency.



[Annual CO₂ reduction amount]
2,556 kg-CO₂

Resource Conservation

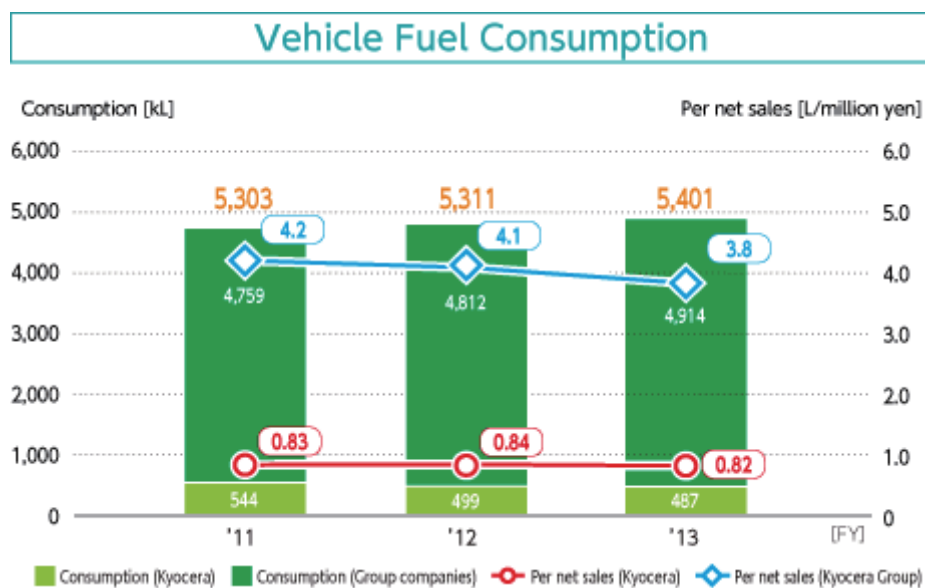
The Kyocera Group establishes specific targets and rolls out positive activities in order to use limited resources effectively and contribute to global environment protection.

Reducing Vehicle Fuel Consumption

The Kyocera Group is working on reduction of vehicle fuel consumption in order to reduce fossil fuel consumption as well as to prevent global warming. The Kyocera Group has reduced the vehicle fuel consumption per net sales by 7.3% as compared to FY2012 by adopting electric vehicles, hybrid vehicles, and fuel-economy cars as well as promotion of environmentally friendly driving or green driving.



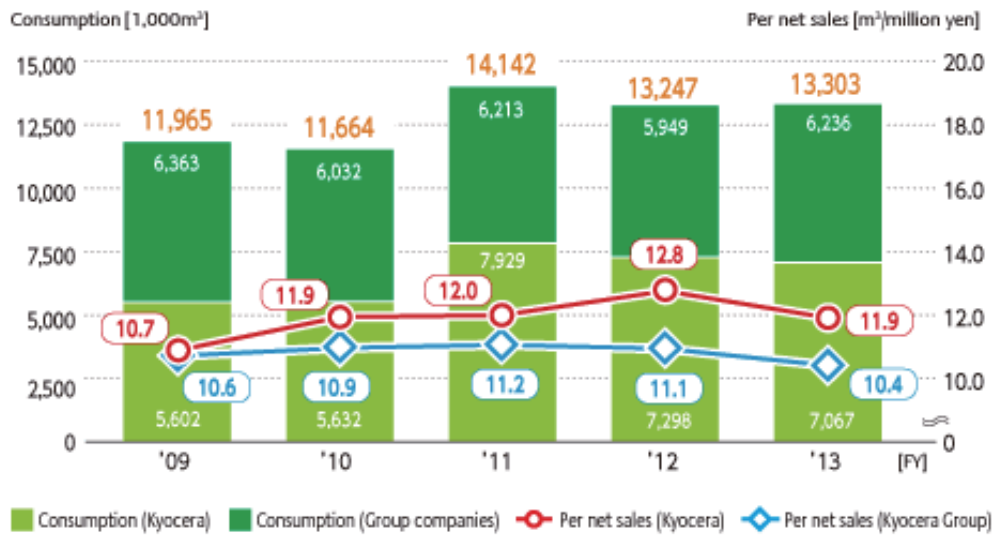
Electric vehicle (Shiga Gamo Plant)



Reducing Water Consumption and Improving the Water Recycling Rate

The Kyocera Group is committed to the reduction of water consumption and recycling in order to use limited water resources effectively and contribute to global environment protection. As compared to FY2012, the water consumption per net sales was reduced by 6.9% by improving the production process, practicing appropriate management over water supply quantity and encouraging recycling of wastewater.

Water Consumption (Production Sites)



• In FY2011, overall water consumption increased as a result of acquiring a new business unit.

Examples of Activities in FY2013

■ Recycling of Nonpermeate Generated at the Time of Manufacturing Purified Water

KYOCERA Crystal Device (Thailand) Co., Ltd. is reusing non-permeate water generated from the purified water manufacturing facilities for watering green spaces and cleaning filters and tanks.

[Annual reduction of water consumption]
840,000m³



Piping used for watering

■ Reduction of Water Consumption by Installing Storage Tanks

Shanghai KYOCERA Electronics Co., Ltd. (China) has been using recycled wastewater (cyclically used water by treating human sewage and process wastewater) for flushing toilet bowls, though due to a shortage of water in the daytime, the Company was also using some tap water. The Company installed tanks for storing recycled wastewater generated in the nighttime to cover toilet bowl flushing water with recycled wastewater only.

[Annual reduction of water consumption]
24,000m³



Water storage tank

Waste Reduction and Recycling Measures

Working towards a recycling-based society, the Kyocera Group has set basic policies for waste reduction since FY1992, and expanded activities aiming to minimize industrial waste.

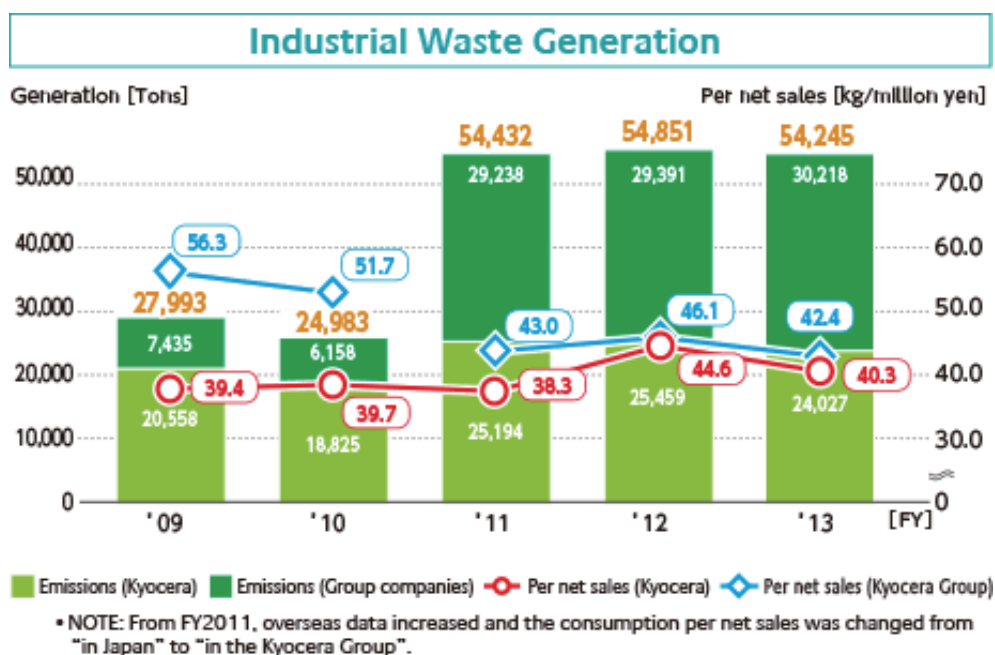
Basic Policies for Waste Reduction

1. Eliminate use of non-recyclable materials
2. Minimize waste generated by business activities
3. Recycle waste once it is generated
4. Process non-recyclable waste into harmless materials

Reduction in Waste Discharge

Reduction in Industrial Waste Discharge

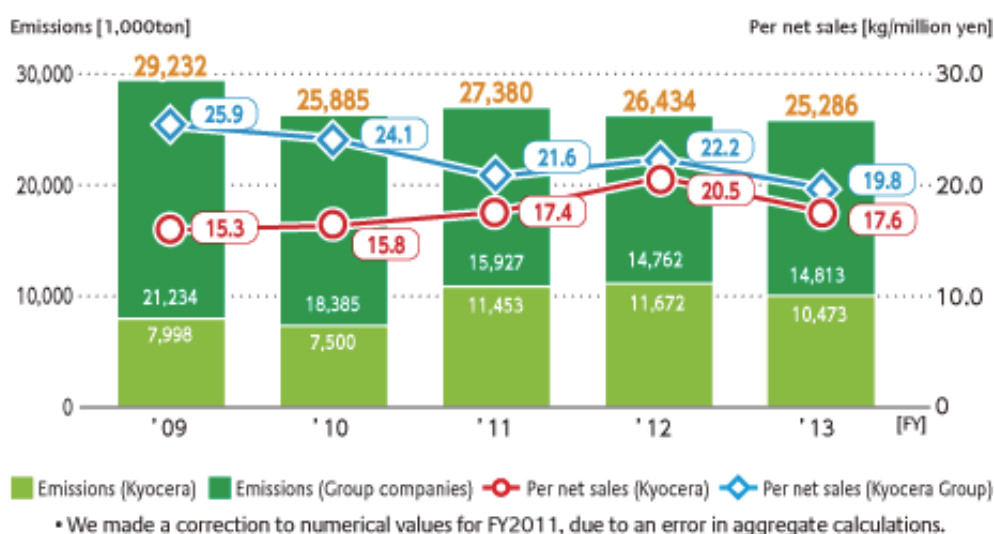
The Kyocera Group reduced industrial waste generated per net sales by 8.0% as compared to FY2012 by implementing processing improvements and recycling of chemicals.



Reduction in Industrial Waste Discharge

The Kyocera Group reduced industrial waste discharge per net sales by 10.8% as compared to FY2012 by implementing activities including in-house treatment of waste liquid generated in processing and reviewing of wastewater treatment methods.

Industrial Waste Discharge



Promoting Zero Emissions

The definition of zero emission in the Kyocera Group (Japan) is the volume of landfill of waste, etc., at the final disposal site (including landfill discharged by intermediate waste disposers) within 0.5% of the total waste, except for a portion of the waste which is beyond control of the Group such as those items for which disposal is designated by municipalities. All Kyocera Group companies in Japan have achieved zero emissions and will continue their efforts.

Proper Waste Disposal

Thorough investigations were conducted of companies providing waste disposal services, including financial stability and on-site surveys according to the "treatment work management standard for waste," in which proper disposal and management of waste are specified. Even after signing a contract with a waste-treatment company, field surveys of these disposal companies are conducted twice a year.



On-site surveys of waste disposal companies

Examples of FY2013 Activities (Resource Conservation)

Converting Sludge into Valuables by Reviewing Wastewater Treatment Methods

At the Shiga Yasu Plant, the volume of flocculants was revised in the treatment of copper wastewater generated in the plating process, and wastewater treatment sludge was converted into valuables (copper recovery).

[Annual reduction of waste discharge]
387 tons



Wastewater treatment plant



Copper-containing sludge

Converting Tungsten-Containing Sludge into Valuables

Kyocera Tycom Corporation in the U.S.A. converted tungsten sludge contained in wastewater generated from the grinding process into valuables by separating and recovering tungsten sludge using a recovery unit.

[Annual reduction of waste discharge]
0.6 tons



Tungsten sludge recovery unit

In-House Treatment of Grinding Waste Liquids

Shanghai Kyocera Electronics Co., Ltd. in China changed its handling method for high-concentration grinding waste liquids from being discharged as industrial waste to an in-house treatment process at its wastewater treatment plant, thus reducing the industrial waste discharge.

[Annual reduction of waste discharge]
18 tons



Storage tanks

Reduction of Sludge Volume by Changing Filter Cloth

Shanghai Kyocera Electronics Co., Ltd. in China changed the filter cloth of the sludge water extraction machine to a high-strength filter cloth, thereby reducing the moisture content in sludge from 80% to 75%, which reduced the sludge volume discharged as industrial waste.

[Annual reduction of waste discharge]
30 tons



Sludge water-extraction machine

Chemical Substances Management

Some chemical substances cause environmental pollution and can affect human health and the ecosystem as a result of long-term accumulation. To manage these substances, we have established a chemical substances control system to accurately gauge and minimize emissions of chemical substances of hazard concern to the atmosphere and water systems, transferred amount contained in waste, etc.

Efforts for Reducing Emissions and Transferred Amount of Substances Subject to PRTR Law

The Kyocera Group (Japan) carries out activities for reducing emissions and the transferred amount of Class I Designated Chemical Substances as prescribed by PRTR Law.

Efforts for Prevention of Air and Water Pollution

Because the natural environment and ecosystems are susceptible to environmental pollutants discharged in the water, atmosphere, and soil, the Kyocera Group sets a voluntary control standard and takes initiative in carrying out environmental load reduction activities.

Improved Efficiency of Wastewater Treatment Chemicals

The Kyocera Group (Japan) sets a target to reduce the consumption rate per treated water volume for chemicals used in wastewater treatment. The Kyocera Group revised wastewater treatment methods, changed chemicals, and revised dosages, etc. However, since the wastewater treatment volume of the Shiga Yasu Plant increased, the chemical consumption rate per treated water volume increased by 1.8% as compared to FY2012.

Management and Disposal of PCB Waste

The Kyocera Group (Japan) strictly controls and manages PCB (polychlorinated biphenyl) waste at specified locations with control sheets prepared in accordance with relevant laws. Kyocera has already become an early registrant for disposal of these wastes with the Japan Environmental Safety Corporation and will dispose of them accordingly.



Transporting operations for outsourced disposal (Kagoshima Sendai Plant)

Examples of FY2013 Activities (Chemical Substances Management)

Reduction of Acetone through Introduction of a Recycling Device

A recycling device was introduced at Kyocera Industrial Ceramics Corp.'s Vancouver Plant in the U.S.A. in order to recycle acetone used in the semiconductor components manufacturing process, thus approximately 800 liters of acetone are now being reused per year.



Recycling device

Prevention of Water Pollution by Reinforcing Effluent Management

Anshi Electronic (Tianjin) Co., Ltd. in China introduced equipment for continuous monitoring of the nickel concentration in order to reinforce management of effluent.



Monitoring equipment

Green Communication: Transparency with Local Communities Regarding Environmental Matters

Green Communication

The Kyocera Group is committed to fostering mutual understanding with our stakeholders by ensuring interactive communication through various channels.



Items	FY2013 Goals	FY2013 Results	FY2014 Goals
Environmental communication with local communities	<ul style="list-style-type: none"> Expand Kyocera Group “Eco-Lesson” program Promote Kyocera’s forestation activities. 	<ul style="list-style-type: none"> Eco-Lessons provided at 203 elementary schools. Forestation activities started from Kyocera Headquarters. Participation in environmental events hosted by local governments. Fukushima Tanagura Plant received the Award for Promotion of Measures to Cope with Global Warming. 	<ul style="list-style-type: none"> Continuous implementation of Kyocera Group Eco-Lessons. Promotion of Kyocera’s forestation activities

Kyocera Group “Eco-Lessons”

Since 2003, the Kyocera Group has offered a community social action program, providing onsite environmental classes called “Eco-Lessons,” which allow children — leaders of the next generation — to deepen their understanding of environmental problems and energy concerns, as well as nurture their thinking towards concerns for the Earth in the course of school education. In FY2010, we began to offer the program in China, taking advantage of know-how we have accumulated in Japan.

In FY2013, the Kyocera Group offered classes to 11,854 school children at 203 elementary schools in Japan, primarily in areas surrounding 25 Kyocera Group sites (in 13 prefectures). In addition, we offered classes to 9,251 school children at elementary schools in 6 cities in China. The total number of children who attended the classes since FY2004 has reached 66,403.

The Kyocera Group believes it is important to consistently continue supporting such educational activities, and we will continue to create opportunities for children to develop environmental awareness.



Eco-Lessons (Japan)



Eco-Lessons (China)

Activities Related to the Conservation of Biodiversity

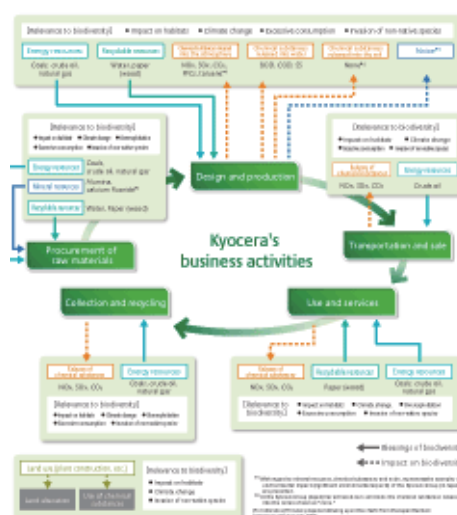
Human society consists of various blessings from nature. On the other hand, forests equivalent to one fifth of Japan's land area are lost from the world every year. It is also said that the effect of human activities over the last several hundreds of years has caused the extinction rate of species to be accelerated by 1,000 times. In these ways, circumstances surrounding biodiversity have become extremely serious.

In regards to the Kyocera Group's business activities, while we are benefitting from the ecological system in the form of raw materials, its output has no small effect on biodiversity.

The Kyocera Group establishes working policies relating to the conservation of biodiversity on activities such as the reduction of destructive effects on the natural environment and on the ecological system, active promotion of greenification at Group facilities, and participation in and support of social contribution activities.

Relevance of Corporation and Biodiversity (Kyocera Group (Japan))

In regards to the Kyocera Group's business activities, while we are benefitting from ecological systems such as raw material procurement, output has a large effect on biodiversity. We have summarized the relevance between business activities and biodiversity in this chart.



Kyocera's Forestation Activities

The Kyocera Group is positively assisting in forestation activities with the aim of responding to environmental issues such as the prevention of climate change and conservation of biodiversity, contributing to local communities, and increasing environmental awareness of its employees.

In 2012, the Kyocera Group newly introduced its activities at a fifth site in Kyotanabe, Kyoto. In starting these activities, the Kyocera Group and the Kyocera Labor Union concluded an "Agreement of Forest Use and Preservation" with Kyoto Modelforest Association and the Takigi Kannabiyama Preservation Society in Kyotanabe at the Kyoto Prefectural Government Office in Kyoto in November 2012, subsequently implemented the first round of forestation activities. Despite a gentle rain, 50 participants including Kyocera Group employees were there for the tree thinning operation. We fabricated benches from thinned timber and installed them along hiking trails so that visitors to Mt. Kannabiyama can use them.



Signing ceremony



Maintaining forests

Providing Employees' Families with Environmental Education and Awareness

A recent significant increase in CO₂ emissions from households, which is a suspected cause of climate change, has become a major issue. The Kyocera Group (Japan) believes that it is important for each person to seriously address global environmental issues, and has proactively promoted a program to encourage use of the Eco-Account Book at employees' homes since FY2009 in order to support environmental protection activities at home.

Participation in Environmental Events

In order to obtain understanding of the Kyocera Group's activities for environmental protection among various stakeholders, the Kyocera Group actively participates in environmental events. Kyocera Mexicana, S. A. de C. V. (Mexico) participated in the Environment EXPO hosted by the Ministry of Environment in October 2012. At the event, where approximately 18,000 children participated from kindergarteners to senior high school students, Kyocera Mexicana talked about environmental activities implemented by the Kyocera Group. Dongguan Shilong Kyocera Co., Ltd. (China) participated in an event held for the World Environment Day under the auspices of local governments and the Environment Protection Agency in May 2012, where participants rode bicycles and appealed for environmental protection.



Environment EXPO (Mexico)



Event held for the World Environment Day
(China)

Main Feedback on Sustainable Management

Minister of the Environment Award received for the Promotion of Measures to Cope with Global Warming

Environmental activities and local contribution activities focusing on utilization of a solar power generating system installed at the company's Fukushima Tanagura Plant were recognized and awarded Japan's "2012 Minister of the Environment Award for the Promotion of Measures to Cope with Global Warming (countermeasures category)." The award is given to honor outstanding achievements by individuals and organizations in the prevention of global warming in December of every year — global warming prevention awareness month. This is the third consecutive year that Kyocera has received the award.



Solar power generating system installed at the Fukushima Tanagura Plant (230 kW)

Other Major Recognitions (FY2013)

Hosted by	Title of award	Award category	Reasons for award
Dongguan City Environmental Protection Agency (China)	The Dongguan City Environmental Friendly Company	Dongguan Shilong Kyocera Co., Ltd.	Various environmental activities including waste reduction and recycling were commended for having contributed to the formation of a recycling-oriented society.
Shanghai Municipal Economic and Informatization Commission (China)	The Shanghai City Water-saving Model Company	Shanghai Kyocera Electronics Co., Ltd.	Various water-saving activities such as the introduction of wastewater recycling facilities, etc. were commended.

Examples of Activities Related to the Conservation of Biodiversity

Cooperative Effort to Refurbish Local Natural Parks

Kyocera America, Inc. has carried out activities to refurbish local natural parks since 2011. Making the best of lanes in the park extending along San Diego River (California), a natural plant garden was refurbished. Moreover, local elementary school children have been participating in such activities in order to learn about the environment.



Kyocera employees refurbishing the park.

Distributing Seedlings to Create More Green Space

Kyocera Crystal Device (Thailand) Co., Ltd. is actively involved in planting seedlings to increase green areas. On World Environment Day in June 2012, about 120 Kyocera employees and family members participated in planting trees and cleaning the temple. To enhance environment awareness, seedlings were distributed to employees. We will continue our commitment to clean and green regional development in the future.



Participation in local planting

Promoting Project Firefly

The Kagoshima Kokubu Plant launched Project Firefly in November 2009 in order to preserve the distinctive local biosphere around the manufacturing plant. With the cooperation of local firefly researchers, employees improved the environment around a pond in the plant premises to make it habitable. As a result, fireflies flew around the plant in May 2010, glowing brilliantly. We also endeavor to enhance the environmental awareness of employees through this project.



Conservation of a Stork Habitat

Kyocera Document Solutions, Inc. has cooperated in stork protection activities in Toyooka, Hyogo since FY2011. We are proactively involved in eliminating nonnative moso bamboo — which proliferate in the vicinity of marshy areas — in order to restore forests covered with broad leaf trees and create an environment where storks can habitat.



Bamboo grove cutting

Editorial Policy

This CSR report is published to report on the Kyocera Group's CSR activities in keeping with the concept of ISO26000, International Standard concerning social responsibilities. Information contained in this report is disclosed in consideration of opinions and views received from stakeholders, and the degree of importance placed on the above activities by the Kyocera Group.

Reporting Period

Information disclosed focuses on content from FY2013 (April 1, 2012 to March 31, 2013).

Scope of the Report

KYOCERA Corporation and consolidated subsidiaries

In this report, "Kyocera" refers to KYOCERA Corporation as a separate entity. It is specified where the scope of the report differs from the above.

Guideline References

GRI* "Sustainability Reporting Guidelines, Version 3.1"
Ministry of the Environment (Japan) "Environmental Report Guidelines (2007 Version)"

*GRI: Global Reporting Initiative is an international organization established in 1997 to draft a sustainability report framework for use by organizations worldwide.

Accuracy of Information

To ensure the accuracy of disclosed information, the information presented here is disclosed after being cross-checked by multiple divisions, including the division providing the information, the Editorial Section, the Legal Affairs Division and the Corporate Communications Division.

ISO9001 Certification Status

Integrated Certification (6 companies)

(as of April 2013)

Region	Company	Date of registration
Japan	KYOCERA Corporation	Jul. 1992 (Registration No.: JMI-0036)
	KYOCERA OPTEC Co., Ltd.	
	KYOCERA Document Solutions Inc.	
	KYOCERA SLC Technologies Corp.	
	KYOCERA Chemical Corp.	
	KYOCERA Solar Corp.	

Individual Certification (39 companies)

(as of April 2013)

Region		Company	Date of registration	Region		Company	Date of registration	
Asia	Japan	KYOCERA Connector Products Corporation * ¹	Jul. 2008	North America	U.S.A.	KYOCERA America, Inc.	Apr. 1994	
		KYOCERA Crystal Device Corporation	Mar. 1998			KYOCERA Industrial Ceramics Corporation	Apr. 1995	
		KYOCERA Crystal Device Hokkaido Corporation	Mar. 1998			KYOCERA TYCOM Corporation		Aug. 1996
		KYOCERA Medical Corporation * ²	May 2005			AVX Corporation	Biddeford	Nov. 2004
		KYOCERA Communication Systems Co., Ltd.					Colorado Spring	Jul. 2003
		Six divisions related to computer systems and package software	Aug. 1997				Conway	Jul. 2004
							Myrtle Beach * ¹	Jul. 2005
		Two divisions related to mobile base stations					Olean	Dec. 2003
			Raleigh				Jul. 2004	
	China	Shanghai KYOCERA Electronics Co., Ltd.	Dec. 1998			AVX Filters Corporation		Dec. 2003
		Dongguan Shilong KYOCERA Co.,Ltd.	Feb. 2003			American Technical Ceramics Corp.	Huntington	Oct. 1997
		Kyocera Document Technology (Dongguan) Co.,Ltd.	Feb. 1994				Jacksonville	Oct. 1998
		KYOCERA Chemical (Wuxi) Co., Ltd.	Apr. 2004	South and Central America	Mexico	KYOCERA Mexicana, S.A. de C.V.	Jun. 2005	
		KYOCERA (Tianjin) Solar Energy Co., Ltd.	Jul. 2004			Avio Excelente, S. de R.L. de C.V. * ¹	Jan. 2004	
		KYOCERA Connector Products Hong Kong Ltd.	Mar. 2004		El Salvador	AVX Industries, Pte. Ltd. * ¹	Dec. 2003	
		KYOCERA Document Technology Co., (H.K.) Ltd.	Feb. 1994		Brazil	AVX Components da Amazonia Ltda.	Jan. 2004	
		AVX Electronics (Tianjin) Co., Ltd.* ¹		Sep. 2007		Europe	Sweden	American Technical Ceramics Europe Aktiebolag
	Singapore	KYOCERA Connector Products Asia Pte, Ltd.	Oct. 2004	UK	AVX Limited * ¹		Nov. 2007	
		KYOCERA Chemical Singapore Pte, Ltd.	Mar. 2003	France	TPC S.A.S * ¹		Dec. 2007	
	Korea	KYOCERA Connector Products Korea Co., Ltd.	Apr. 1998	Germany	ELCO Europe GmbH * ¹		May 2007	
		KYOCERA Precision Tools Korea Co., Ltd.	Feb. 2004	Czech	KYOCERA Solar Europe s.r.o.		Feb. 2006	
	Thailand	KYOCERA Chemical (Thailand) Ltd.	Feb. 2002		AVX Czech Republic s.r.o.		Lanskroun	Feb. 2006
		KYOCERA Crystal Device (Thailand) Co., Ltd. * ¹	Sep. 2003				Uherske * ¹	Oct. 2007 * ³
	Malaysia	TPC Malaysia Sdn.Bhd.	Mar. 2004				Dec. 2007 * ⁴	
Philippines	KYOCERA Crystal Device Philippines, Inc. * ¹	Mar. 2004						
Israel	AVX Israel Ltd.	Dec. 2003						

*¹ Certification of the quality management standard (ISO/TS-16949) to which automotive special requirements are added based on ISO 9001.

*² Certification of the quality management standard (ISO 13485) to which medical-related special requirements are added based on ISO 9001.

*³ Related to connectors. *⁴ Related to electronic parts and capacitors.

ISO14001 Certification Status

Integrated Certification (192 sites)

(as of April 2013)

Region	Company Office / Plant						Date of registration
Japan	KYOCERA Corporation	Headquarters	Hokkaido Kitami Plant	Fukushima Tanagura Plant	Chiba Sakura Office	Tokyo Yaesu Office	Oct. 1996 (Registration No. EC99J2032)
		Tokyo Harajuku Office	Yokohama Office	Nagano Okaya Plant	Mie Ise Plant	Shiga Gamo Plant	
		Shiga Yohkaichi Plant	Shiga Yasu Plant	Kyoto Fushimi Office	R&D Center, Keihanna	Osaka Daito Office	
		Kagoshima Sendai Plant	Kagoshima Kokubu Plant	R&D Center, Kagoshima	Kagoshima Hayato Plant	Sapporo Sales Office	
		Tohoku Sales Office	Nagaoka Sales Office	Takasaki Sales Office	Utsunomiya Sales Office	Omiya Sales Office	
		Tachikawa Sales Office	Kanto Logistics Center	Komae Sales Office	Atsugi Sales Office	Kanazawa Sales Office	
		Matsumoto Sales Office	Hamamatsu Sales Office	Nagoya Sales Office	Mikawa Sales Office	Kyocera Management Research Institute	
		Kyocera Keiaikan	Osaka Sales Office	Himeji Sales Office	Okayama Sales Office	Hiroshima Sales Office	
		Kyushu Sales Office	Okinawa Sales Office	CV Ginza Store	CV Kyoto Store	CV Osaka Umeda Store	
		CV Kobe Sannomiya Store	CV Hiroshima Store				
	KYOCERA Connector Products Corporation	Headquarters	Okaya Plant	Osaka Sales Office	Nagoya Sales Office	Omiya Sales Office	
		Tachikawa Sales Office	Matsumoto Sales Office				
	KYOCERA OPTEC Co., Ltd.	Headquarters	Chigase Plant	Tokyo Sales Office	Kansai Sales Office		
	KYOCERA Document Solutions Inc.	Headquarters	Hirakata Plant	Tamaki Plant	Tokyo R&D Center		
	KYOCERA Document Solutions Japan Inc.	Headquarters	Sapporo Office	Sendai Office	Nagoya Office	Osaka Sales Office	
		Hiroshima Office	Fukuoka Office	Sales Offices: 52 locations (including local offices)			
	KYOCERA Chemical Corp.	Headquarters	Kansai Branch	Kyushu Branch	Kawaguchi Plant	Kawasaki Plant	
		Kohriyama Plant	Moka Plant				
	KYOCERA SLC Technologies Corp.	Headquarters	Shiga Yasu Plant	Kyoto Ayabe Plant	Kagoshima Sendai Plant	Higashi Nihon Sales Office	
		Kyushu Sales Office					
	KYOCERA Crystal Device Corporation	Headquarters	Nagano Okaya Plant	Shiga Yohkaichi Plant			
	KYOCERA Crystal Device Hokkaido Corporation	Headquarters					
	KYOCERA Medical Corporation	Headquarters	Tokyo Sales Office	Kobe Plant	Shiga Gamo Plant	Shiga Yohkaichi Plant	
		Shiga Yasu Plant	Research Center	Kobe Product Control Center	Sapporo Sales Office	Tohoku Sales Office	
		Omiya Sales Office	Nagoya Sales Office	Kyoto Sales Office	Kobe Sales Office	Okayama Sales Office	
		Hiroshima Sales Office	Kyushu Sales Office				
	KYOCERA Communication Systems Co., Ltd.	Headquarters	Tokyo Branch	Tokyo 1st Data Center (2 sites)	Tokyo 2nd Data Center	Tokyo 3rd Data Center	
		Takanawa Branch	Shiga Office	Kyoto Karasuma Office	Osaka Office	Osaka ICT Branch	
		Fukuoka Office	Sendai Office	Kokubu Office	Sapporo Sales Office	Sendai Sales Office	
		Nagoya Sales Office	Kanazawa Sales Office	Hiroshima Sales Office	Takamatsu Sales Office	Kagoshima Sales Office	
	KYOCERA Solar Corp.	Headquarters	Tohoku Sales Office	Tokyo Sales Office	Nagoya Sales Office	Osaka Sales Office	
		Okayama Sales Office	Hiroshima Sales Office	Kyushu Sales Office	Sakura Office	Shiga Yohkaichi Office	
		Shiga Store	Kagoshima Sales Branch(Satsumasendai)	Kagoshima Sales Branch(Kirishima)	KYOCERA Solar FC Lake Town	KYOCERA Solar FC Itami Koya	

※ The above 203 offices and plants are jointly ISO 14001 certified under the Kyocera Group Integrated Environment & Safety Management System.

Individual Certification (107 sites)

(as of April 2013)

Region	Company	Office / Plant	Date of registration
Asia	China	Shanghai KYOCERA Electronics Co., Ltd.	— Jul. 2000
		Dongguan Shilong KYOCERA Co.,Ltd.	— Dec. 2000
		Kyocera Document Technology (Dongguan) Co.,Ltd.	— Oct. 2001
		KYOCERA Chemical (Wuxi) Co., Ltd.	— Apr. 2001
		KYOCERA Document Technology Co., (H.K.) Ltd.	— Nov. 2000
		AVX Electronics (Tianjin) Co.,Ltd.	— Feb. 2008
		KYOCERA Document Solutions Hong Kong Ltd.	— Nov. 2000
		KYOCERA Document Solutions Asia Ltd	— Apr. 2012
		KYOCERA Document Solutions (China) Corp.	— Dec. 2012
		KYOCERA (Tianjin) Solar Energy Co., Ltd.	— Aug. 2009
		KYOCERA Connector Products (Dongguan) Co., Ltd.	— Dec. 2003
		KYOCERA Display (Zhangjiagang) Co. Ltd.	— May 2002
		KYOCERA OPTEC (Dongguan) Co., Ltd.	— Dec. 2003
	Taiwan	KYOCERA Document Solutions Taiwan Corporation	— Jan. 2008
		KYOCERA Chemical Singapore Pte, Ltd.	— Jun. 1999
	Singapore	KYOCERA Document Solutions Singapore Pte, Ltd.	— Feb. 2008
		KYOCERA Connector Products Korea Co., Ltd.	— Spt.1999
	Korea	KYOCERA Document Solutions KOREA Co., Ltd.	— Feb. 2010
		KYOCERA Chemical (Thailand) Ltd.	— May 2005
	Thailand	KYOCERA Crystal Device (Thailand) Co., Ltd.	— Dec. 1999
		KYOCERA Document Solutions (Thailand) Corp., Ltd.	— Aug. 2006
		KYOCERA Display Thailand Co., Ltd.	— Jan. 2005
	Philippines	KYOCERA Crystal Device Philippines, Inc.	— Jun. 2006
	Israel	AVX Israel Ltd.	— May 2003
	Malaysia	TPC Malaysia Sdn Bhd	— Feb. 2008
		KYOCERA Telecom Equipment (Malaysia) Sdn.Bhd.	— May. 1998
Asia	India	KYOCERA Document Solutions India Private Limited	Gurgaon Jun. 2011
			Mumbai Jun. 2011
			Gujarat Sep. 2012
			Pune Sep. 2012
			Nagpur Sep. 2012
			New Delhi Sep. 2012
			Lucknow Sep. 2012
			Chennai Sep. 2012
			Bangalore Sep. 2012
			Emakulam Sep. 2012
			Hyderabad Sep. 2012
			Vizag Sep. 2012
			Kolkata Sep. 2012
			Bhubaneswar Sep. 2012
			Guhawati Sep. 2012
			Ranchi Sep. 2012
	Canada	KYOCERA Document Solutions Canada, Ltd.	— Jul. 2008
	U.S.A.	KYOCERA America, Inc.	— Aug. 1997
			Vancouver Jun. 1998
		KYOCERA Industrial Ceramics Corporation	Mountain Home Feb. 1999
			SanDiego Sep. 1997
		KYOCERA Communications Inc.	— Aug. 2000
			Costa Mesa Nov. 2005
		KYOCERA TYCOM Corporation	Arden Hills, MN Nov. 2005
			San Jose, CA Nov. 2005
			Beaverton, OR Nov. 2005
			Owego, NY Nov. 2005
			Zhuhai Nov. 2005
			Hong Kong Nov. 2005
			Conway Feb. 2008
			Myrtle Beach Feb. 2008
	AVX Corporation		

Individual Certification (107 sites)

(as of April 2013)

Region		Company	Office / Plant	Date of registration
North America	U.S.A.	American Technical Ceramics Corp.	—	Feb. 2008
		AVX Greenville, LLC.	—	Mar. 2010
		KYOCERA Document Solutions America, Inc.	Fairfield	Mar. 2007
			Irvine	Mar. 2007
			Norcross	Mar. 2007
			Wood Dale	Mar. 2007
			New York	Mar. 2007
			Irvine	Mar. 2007
			Miami	Mar. 2007
			Arlington	Mar. 2007
			Memphis	Mar. 2007
		AVX Tantalum Corporation	—	Feb. 2008
KYOCERA Document Solutions Technology Development America, Inc.	—	Jun. 2008		
KYOCERA International, Inc.	—	Aug. 1997		
KYOCERA Solar, Inc.	—	Jul. 2010		
Central and South America	Mexico	KYOCERA Mexicana, S.A. de C.V.	—	Dec. 1998
		Avio Excelente, S. de R.L. de C.V.	—	Feb. 2008
		KYOCERA Document Solutions Mexico, S.A. de C.V.	—	Nov. 2008
	El Salvador	AVX Industries Pte, Ltd.	—	Feb. 2008
	Brazil	KYOCERA do Brasil Componentes Industriais Ltda.	—	Apr. 2007
KYOCERA Document Solutions Brazil, Ltd.		—	Nov. 2009	
Africa	South Africa	KYOCERA Document Solutions South Africa (PTY) Ltd.	—	Apr. 2008

Region	Company	Office / Plant	Date of registration	
Austria	KYOCERA Document Solutions Austria GmbH	—	Apr. 2008	
Belgium	KYOCERA Document Solutions Belgium N.V.	—	Apr. 2004	
Czech	AVX Czech Republic s.r.o.	Lanskroun	Feb. 2000	
	KYOCERA Solar Europe s.r.o.	Uherske	Feb. 2008	
Denmark	KYOCERA Document Solutions Danmark A/S	—	Mar. 2009	
	KYOCERA UNIMERCO A/S	—	Apr. 2008	
	KYOCERA UNIMERCO Fastening A/S	—	Mar. 1996	
	KYOCERA UNIMERCO Tooling A/S	—	Mar. 1996	
Finland	KYOCERA Document Solutions Finland OY	—	Apr. 2008	
Norway	KYOCERA Document Solutions Norge NUFV.	—	Apr. 2008	
Sweden	KYOCERA Document Solutions Nordic AB	—	Apr. 2008	
France	TPC S.A.S.	—	Apr. 2008	
	KYOCERA Document Solutions France S.A.S	—	Feb. 2008	
Germany	ELCO Europe GmbH	—	Apr. 2008	
	KYOCERA Document Solutions Deutschland GmbH	—	Jul. 2004	
	KYOCERA Display Europe GmbH	—	Apr. 2008	
Italy	KYOCERA Document Solutions Italia S.p.A.	—	Mar. 2007	
Netherlands	KYOCERA Document Solutions Nederland B.V.	—	Apr. 2008	
	KYOCERA Document Solutions Europe B.V.	Hoeksteen Zurich	Apr. 2008	
Portugal	KYOCERA Document Solutions Portugal Lda.	—	Apr. 2008	
Spain	KYOCERA Document Solutions Espana S.A.	—	Apr. 2008	
Sweden	KYOCERA Document Solutions Nordic AB	—	Apr. 2008	
U.K.	KYOCERA Document Solutions (U.K.) Ltd.	—	Apr. 2008	
	AVX Limited	—	Aug. 2000	
Oceania	New Zealand	KYOCERA Document Solutions New Zealand Ltd.	—	Oct. 2007
	Australia	KYOCERA Document Solutions Australia Pty. Ltd.	—	Jun. 2006

OHSAS 18001 Certification Status

Integrated Certification (135 sites)

(as of April 2013)

Region	Company Office / Plant							Date of registration
Japan	KYOCERA Corporation	Headquarters	Hokkaido Kitami Plant	Fukushima Tanagura Plant	Chiba Sakura Office	Tokyo Yaesu Office	Tokyo Harajuku Office	Oct. 2005 (Registration No. :C05J0006)
		Yokohama Office	Nagano Okaya Plant	Mie Ise Plant	Shiga Gamo Plant	Shiga Yohkaichi Plant	Shiga Yasu Plant	
		Kyoto Fushimi Office	R&D Center, Keihanna	Osaka Daito Office	Kagoshima Sendai Plant	Kagoshima Kokubu Plant	R&D Center, Kagoshima	
		Kagoshima Hayato Plant	Sapporo Sales Office	Tohoku Sales Office	Nagaoka Sales Office	Takasaki Sales Office	Utsunomiya Sales Office	
		Omiya Sales Office	Tachikawa Sales Office	Kanto Logistics Center	Komae Sales Office	Atsugi Sales Office	Kanazawa Sales Office	
		Matsumoto Sales Office	Hammatsu Sales Office	Nagoya Sales Office	Mikawa Sales Office	Kyocera Management Research Institute	Kyocera Keiaikan	
		Osaka Sales Office	Himeji Sales Office	Okayama Sales Office	Hiroshima Sales Office	Kyushu Sales Office	Okinawa Sales Office	
		CV Ginza Store	CV Kyoto Store	CV Osaka Umeda Store	CV Kobe Sanromiya Store	CV Hiroshima Store		
	KYOCERA Connector Products Corporation	Headquarters	Okaya Plant	Osaka Sales Office	Nagoya Sales Office	Omiya Sales Office	Tachikawa Sales Office	
		Matsumoto Sales Office						
	KYOCERA OPTEC Co., Ltd.	Headquarters	Chigase Plant	Tokyo Sales Office	Kansai Sales Office			
	KYOCERA Document Solutions Inc.	Headquarters	Hirakata Plant	Tamaki Plant	Tokyo R&D Center			
	KYOCERA Document Solutions Japan Inc.	Headquarters						
	KYOCERA Chemical Corp.	Headquarters	Kansai Branch	Kyushu Branch	Kawaguchi Plant	Kawasaki Plant	Kohriyama Plant	
		Moka Plant						
	KYOCERA SLC Technologies Corp.	Headquarters	Shiga Yasu Plant	Kyoto Ayabe Plant	Kagoshima Sendai Plant	Higashi Nihon Sales Office	Kyushu Sales Office	
	KYOCERA Crystal Device Corporation	Headquarters	Nagano Okaya Plant	Shiga Yohkaichi Plant				
	KYOCERA Crystal Device Hokkaido Corporation	Headquarters						
	KYOCERA Medical Corporation	Headquarters	Tokyo Branch	Kobe Plant	Shiga Gamo Plant	Shiga Yohkaichi Plant	Shiga Yasu Plant	
		Research Center	Kobe Product Control Center	Sapporo Sales Office	Tohoku Sales Office	Omiya Sales Office	Nagoya Sales Office	
		Kyoto Sales Office	Kobe Sales Office	Okayama Sales Office	Hiroshima Sales Office	Kyushu Sales Office		
	KYOCERA Communication Systems Co., Ltd.	Headquarters	Tokyo Branch	Tokyo 1st Data Center (2 sites)	Tokyo 2nd Data Center	Tokyo 3rd Data Center		
		Takanawa Branch	Shiga Office	Kyoto Karasuma Office	Osaka Office	Osaka ICT Branch	Fukuoka Office	
		Sendai Office	Kokubu Office	Sapporo Sales Office	Sendai Sales Office	Nagoya Sales Office	Kanazawa Sales Office	
		Hiroshima Sales Office	Takamatsu Sales Office	Kagoshima Sales Office				
	KYOCERA Solar Corp.	Headquarters	Tohoku Sales Office	Tokyo Sales Office	Nagoya Sales Office	Osaka Sales Office	Okayama Sales Office	
		Hiroshima Sales Office	Kyushu Sales Office	Sakura Office	Shiga Yohkaichi Office	Shiga Store	Kagoshima Sales Branch(Satsumasendai)	
		Kagoshima Sales Branch(Kirishima)	KYOCERA Solar FC Lake Town	KYOCERA Solar FC Itami Koya				

※ The above 135 offices and plants are jointly ISO 14001 certified under the Kyocera Group Integrated Environment & Safety Management System.

Individual Certification (4 sites)

(as of April 2013)

Region	Company		Date of registration
Asia	China	Shanghai KYOCERA Electronics Co., Ltd.	Oct. 2006
		Dongguan Shilong KYOCERA Co.,Ltd.	Jan. 2009
Central and South America	El Salvador	AVX Industries Pte, Ltd.	Nov. 2008
Europe	Czech	KYOCERA Solar Europe s.r.o.	Mar. 2009

GRI and ISO26000 Comparison Tables

The Kyocera Group strives to report in conformity to international standards and refers to core subjects of Sustainability Reporting Guidelines Version 3.1 of GRI and ISO 26000: 2010.

GRI Guideline

Item	Indicator	References
1. Strategy and Analysis		
1.1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy	→ Top Management Message
1.2	Description of key impacts, risks, and opportunities	→ Top Management Message ☐ Form 20-F
2. Organizational Profile		
2.1	Name of the organization	☐ Corporate Summary
2.2	Primary brands, products, and/or services	☐ Business Segments
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	☐ Business Development
2.4	Location of organization's headquarters	☐ Corporate Summary
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	☐ Business Development ☐ Global Network
2.6	Nature of ownership and legal form	☐ Corporate Summary ☐ Form 20-F
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	☐ Corporate Summary
2.8	Scale of the reporting organization, including:	☐ Corporate Summary
2.9	Significant changes during the reporting period regarding size, structure, or ownership including:	☐ Form 20-F
2.10	Awards received in the reporting period	→ Approaches to Raising Quality and Customer Satisfaction Levels → Main Feedback for Sustainable Management
3. Report Parameters		
Report Profile		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided	→ Editorial Policy
3.2	Date of most recent previous report (if any)	June, 2013
3.3	Reporting cycle (annual, biennial, etc)	Annual
3.4	Contact point for questions regarding the report or its contents	☐ Support / Contact

Report Scope and Boundary		
3.5	Process for defining report content, including:	→ Editorial Policy
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance	→ Editorial Policy
3.7	State any specific limitations on the scope or boundary of the report	→ Editorial Policy
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	☐ Form 20-F
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	→ Environmental Accounting → Green Factories
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	☐ Form 20-F
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	-
GRI Content Index		
3.12	Table identifying the location of the Standard Disclosures in the report	GRI Guideline Comparison Table
Assurance		
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s)	-
4. Governance, Commitments, and Engagement		
Governance		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	→ Corporate Governance
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement)	→ Corporate Governance

4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	→ Corporate Governance
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	→ Corporate Governance
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance)	→ Corporate Governance
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	→ Corporate Governance
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	→ Corporate Governance
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	→ Kyocera Group Corporate Social Responsibility (CSR) → Corporate Governance
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	→ Kyocera Group Corporate Social Responsibility (CSR) → Corporate Governance
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	→ Kyocera Group Corporate Social Responsibility (CSR) → Corporate Governance
Commitments to External Initiatives		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	→ Corporate Governance → Risk Management and Compliance → Environmental Risk Management
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	→ Participation in International Initiatives
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization:	Keidanren (Japan Business Federation), JEITA (Japan Electronics and Information Technology Industries Association) etc
Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organization	→ Kyocera Group Corporate Social Responsibility (CSR)

4.15	Basis for identification and selection of stakeholders with whom to engage	→ Kyocera Group Corporate Social Responsibility (CSR)
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	→ Fair Business Activities → Customer Concerns → Respect for Human Rights / Optimal Work Environment → Social Contribution Activities
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	→ Fair Business Activities → Customer Concerns → Respect for Human Rights / Optimal Work Environment → Social Contribution Activities

Management Approach and Performance Indicators

Item	Performance Index: Core (●) / Add (○)	References
Economic		
■ Disclosure on Management Approach		
Goals and Performance. Organization-wide goals regarding performance relevant to the Economic Aspects.		☐ Financial Results ☐ Form 20-F
Policy Brief, organization-wide policy (or policies) that defines the organization's overall commitment relating to the Economic Aspects listed above, or state where this can be found in the public domain (e.g., web link).		☐ Financial Results ☐ Form 20-F
Additional Contextual Information Additional relevant information required to understand organizational performance, such as: <ul style="list-style-type: none"> • Key successes and shortcomings; • Major organizational risks and opportunities; • Major changes in the reporting period to systems or structures to improve performance; and • Key strategies for implementing policies or achieving performance. 		☐ Financial Results ☐ Form 20-F
■ Economic Performance Indicators		
● EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	☐ Form 20-F
● EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	☐ Form 20-F
● EC3	Coverage of the organization's defined benefit plan obligations	-

● EC4	Significant financial assistance received from government	-
■ Indirect Economic Impacts		
○ EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	-
● EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	<input checked="" type="checkbox"/> Construct Partnerships with Business Associates <input checked="" type="checkbox"/> Measures on Conflict Minerals
● EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation	<input checked="" type="checkbox"/> Respect for Diversity / Balance of Work and Life (Adapting to Globalization)
■ Indirect Economic Impacts		
● EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	<input checked="" type="checkbox"/> Social Contribution Activities
○ EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	-
Environmental		
■ Disclosure on Management Approach		
Goals and Performance Organization-wide goals regarding performance relevant to the Environment Aspects.		<input checked="" type="checkbox"/> Green Products <input checked="" type="checkbox"/> Green Factories <input checked="" type="checkbox"/> Green Communication
Policy Brief, organization-wide policy (or policies) that defines the organization's overall commitment related to the Environmental Aspects listed above or state where this can be found in the public domain (e.g., web link).		<input checked="" type="checkbox"/> Kyocera Environmental Charter <input checked="" type="checkbox"/> Environment Vision 2020 / Kyocera Group Environmental Policy
Organizational responsibility The most senior position with operational responsibility for Environmental Aspects or explain how operational responsibility is divided at the senior level for these Aspects.		<input checked="" type="checkbox"/> Environmental Management Promotion System
Training and awareness Procedures related to training and raising awareness in relation to the Environmental Aspects.		<input checked="" type="checkbox"/> Environmental Education
Monitoring and Follow-Up Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.		<input checked="" type="checkbox"/> Thorough Legal Compliance (Legal Audit System) <input checked="" type="checkbox"/> Environmental Management Promotion System (Environmental Safety Audit)

<p>Additional Contextual Information</p> <p>Additional relevant information required to understand organizational performance, such as:</p> <ul style="list-style-type: none"> • Key successes and shortcomings; • Major organizational environmental risks and opportunities related to issues; • Major changes in the reporting period to systems or structures to improve performance; and • Key strategies and procedures for implementing policies or achieving goals. 		<p>→ Environmental Activities</p>
■ Materials		
● EN1	Materials used by weight or volume	-
● EN2	Percentage of materials used that are recycled input materials	→ Environmentally Friendly Products
■ Energy		
● EN3	Direct energy consumption by primary energy source	<p>→ Environmental Accounting</p> <p>→ Energy Conservation and Prevention of Climate Change</p>
● EN4	Indirect energy consumption by primary source	<p>→ Environmental Accounting</p> <p>→ Energy Conservation and Prevention of Climate Change</p>
○ EN5	Energy saved due to conservation and efficiency improvements	<p>→ Environmental Accounting</p> <p>→ Energy Conservation and Prevention of Climate Change</p>
○ EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	<p>→ Development of Environmentally Friendly Products</p> <p>→ Energy Conservation and Prevention of Climate Change</p>
○ EN7	Initiatives to reduce indirect energy consumption and reductions achieved	<p>→ Green Factories</p> <p>→ Energy Conservation and Prevention of Climate Change</p>
■ Water		
● EN8	Total water withdrawal by source	-
○ EN9	Water sources significantly affected by withdrawal of water	-
○ EN10	Percentage and total volume of water recycled and reused	→ Reducing Water Consumption and Improving the Water Recycling Rate
■ Biodiversity		
● EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	→ Activities Related to the Conservation of Biodiversity

● EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	→ Activities Related to the Conservation of Biodiversity
○ EN13	Habitats protected or restored	→ Activities Related to the Conservation of Biodiversity
○ EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	→ Kyocera Environmental Charter → Environment Vision 2020 / Kyocera Group Environmental Policy → Green Communication
○ EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	-
■ Emissions, Effluents, and Waste		
● EN16	Total direct and indirect greenhouse gas emissions by weight	→ Energy Conservation and Prevention of Climate Change
● EN17	Other relevant indirect greenhouse gas emissions by weight	→ Energy Conservation and Prevention of Climate Change
○ EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	→ Energy Conservation and Prevention of Climate Change
● EN19	Emissions of ozone-depleting substances by weight	Complete elimination
● EN20	NO, SO, and other significant air emissions by type and weight	→ Chemical Substances Management → Kyocera Group's Environmental Impact at Each Site
● EN21	Total water discharge by quality and destination	→ Resource Conservation → Kyocera Group's Environmental Impact at Each Site
● EN22	Total weight of waste by type and disposal method	→ Waste Reduction and Recycling Measures → Kyocera Group's Environmental Impact at Each Site
● EN23	Total number and volume of significant spills	→ Environmental Risk Management → Green Factories → Kyocera Group's Environmental Impact at Each Site
○ EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	-
○ EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	-

■ Products and Services		
○ EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	<div>➔ Green Products</div> <div>➔ Environmentally Friendly Products</div>
○ EN27	Percentage of products sold and their packaging materials that are reclaimed by category	<div>➔ Environmentally Friendly Products</div>
■ Compliance		
● EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	<div>➔ Environmental Risk Management (Environmental Regulations Compliance Status)</div>
■ Transport		
○ EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	<div>➔ Efforts to Reduce CO₂ Emission Associated with Freight Transport</div>
■ Overall		
○ EN30	Total environmental protection expenditures and investments by type	<div>➔ Environmental Accounting</div>
Social		
Labor Practices and Decent Work		
■ Disclosure on Management Approach		
Goals and Performance Organization-wide goals regarding performance relevant to the Labor Aspects, indicating their linkage to the internationally recognized universal standards.		<div>➔ Advancing Kyocera Philosophy Education</div> <div>➔ Respect for Human Rights and Diversity</div> <div>➔ Cultivating Human Assets</div> <div>➔ Building a Safe & Secure Work Environment</div>
Policy Brief, organization-wide policy (or policies) that defines the organization's overall commitment related to the Labor Aspects, or state where this can be found in the public domain (e.g., web link). Also reference their linkage to the international standards indicated above.		<div>➔ Kyocera Employee's Action Guideline</div> <div>➔ Philosophy Education Rationale</div> <div>➔ Respect for Human Rights and Diversity</div> <div>➔ Occupational Health & Safety Policy</div>
Organizational responsibility The most senior position with operational responsibility for Labor Aspects or explain how operational responsibility is divided at the senior level for these Aspects.		<div>➔ Advancing Kyocera Philosophy Education</div> <div>➔ Respect for Human Rights and Diversity</div> <div>➔ Environmental Management Promotion System</div>
Training and awareness Procedures related to training and raising awareness in relation to the Labor Aspects. Include information on who participates in diversity, equal opportunities and gender sensitization training (e.g., highest governance bodies, senior management), and the topics addressed by training and any informal awareness raising.		<div>➔ Advancing Kyocera Philosophy Education</div> <div>➔ Respect for Human Rights and Diversity</div> <div>➔ Cultivating Human Assets</div> <div>➔ Building a Safe & Secure Work Environment</div>

<p>Monitoring and Follow-Up</p> <p>Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.</p>		<ul style="list-style-type: none"> ➔ Advancing Kyocera Philosophy Education ➔ Thorough Legal Compliance (Legal Audit System) ➔ Construct Partnerships with Business Associates ➔ Respect for Human Rights and Diversity ➔ Environmental Management Promotion System (Environmental Safety Audit)
<p>Additional Contextual Information</p> <p>Additional relevant information required to understand organizational performance, such as:</p> <ul style="list-style-type: none"> ● Key successes and shortcomings; ● Major organizational risks and opportunities; ● Major changes in the reporting period to systems or structures to improve performance; and ● Key strategies and procedures for implementing policies or achieving goals. ● A description of the legal and socio-economic environment that provides opportunities for, and barriers to, gender equity in the workforce, including but not limited to women's workforce participation rates, their participation at highest governance level, and equal remuneration. 		<ul style="list-style-type: none"> ➔ Advancing Kyocera Philosophy Education ➔ Respect for Human Rights and Diversity ➔ Cultivating Human Assets ➔ Building a Safe & Secure Work Environment
■ Employment		
● LA1	Total workforce by employment type, employment contract, and region, broken down by gender	-
● LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region	☐ Careers
○ LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operations	-
● LA15	Return to work and retention rates after parental leave, by gender	-
■ Labor/Management Relations		
● LA4	Percentage of employees covered by collective bargaining agreements	-
● LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	-
■ Occupational Health and Safety		
○ LA6	Percentage of total workforce represented in formal joint management- worker health and safety committees that help monitor and advise on occupational health and safety programs	<ul style="list-style-type: none"> ➔ Approaches to Stimulating Communication (Labor and Management Exchange Conference)

● LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	→ Approaches to Occupational Safety and Health / Fire and Disaster Prevention (Kyocera Group (Japan) Safety Record)
● LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	→ Approaches to Promotion of Health
● LA9	Health and safety topics covered in formal agreements with trade unions	→ Approaches to Promotion of Health
■ Training and Education		
● LA10	Average hours of training per year per employee by gender, and by employee category	→ Advancing Kyocera Philosophy Education → Cultivating Human Assets
○ LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	→ Philosophy Education System
○ LA12	Percentage of employees receiving regular performance and career development reviews, by gender	-
■ Diversity and Equal Opportunity		
● LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	→ Respect for Diversity / Balance of Work and Life (Adapting to Globalization)
● LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	-
Human Rights		
■ Disclosure on Management Approach		
Goals and Performance Organization-wide goals regarding performance relevant to the human rights Aspects, indicating their linkage to the international declarations and standards listed in the introduction.		→ Respect for Human Rights and Diversity
Policy Brief, organization-wide policy or policies that define the organization's overall commitment to the human rights Aspects.		→ Kyocera Employee's Action Guideline → Construct Partnerships with Business Associates (Supplier Selection Policy) → Respect for Human Rights and Diversity
Organizational responsibility The most senior position with operational responsibility for human rights Aspects, or an explanation of how operational responsibility is divided at senior level for these Aspects.		→ Supply Chain Management → Respect for Human Rights and Diversity

Procedures related to training and raising awareness in relation to the human rights Aspects,		<input checked="" type="checkbox"/> Advancing Kyocera Philosophy Education <input checked="" type="checkbox"/> Respect for Human Rights and Diversity
Monitoring, Follow-Up AND REMEDIATION Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.		<input checked="" type="checkbox"/> Advancing Kyocera Philosophy Education <input checked="" type="checkbox"/> Thorough Legal Compliance (Legal Audit System) <input checked="" type="checkbox"/> Construct Partnerships with Business Associates <input checked="" type="checkbox"/> Respect for Human Rights and Diversity
Additional Contextual Information Additional relevant information required to understand organizational performance, such as: <ul style="list-style-type: none"> • Key successes and shortcomings; • Major organizational risks and opportunities; • Major changes in the reporting period to systems or structures to improve performance; and • Key strategies and procedures for implementing policies or achieving goals. 		<input checked="" type="checkbox"/> Supply Chain Management <input checked="" type="checkbox"/> Respect for Human Rights and Diversity
■ Investment and Procurement Practices		
● HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	-
● HR2	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken	<input checked="" type="checkbox"/> Construct Partnerships with Business Associates (Supply Chain CSR Questionnaire)
○ HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	<input checked="" type="checkbox"/> Advancing Kyocera Philosophy Education <input checked="" type="checkbox"/> Respect for Human Rights and Diversity
■ Non-Discrimination		
● HR4	Total number of incidents of discrimination and corrective actions taken	-
■ Freedom of Association and Collective Bargaining		
● HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	<input checked="" type="checkbox"/> Construct Partnerships with Business Associates (Supply Chain CSR Questionnaire) <input checked="" type="checkbox"/> Respect for Human Rights and Diversity
■ Child Labor		
● HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	<input checked="" type="checkbox"/> Construct Partnerships with Business Associates (Supply Chain CSR Questionnaire) <input checked="" type="checkbox"/> Respect for Human Rights and Diversity

■ Forced and Compulsory Labor		
<input checked="" type="radio"/> HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	<input checked="" type="checkbox"/> Construct Partnerships with Business Associates (Supply Chain CSR Questionnaire) <input checked="" type="checkbox"/> Respect for Human Rights and Diversity
■ Security Practices		
<input type="radio"/> HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	-
■ Indigenous Rights		
<input type="radio"/> HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	-
<input type="radio"/> HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	-
<input type="radio"/> HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	-
Society		
■ Disclosure on Management Approach		
Goals and Performance Organization-wide goals regarding performance relevant to the Aspects indicated above.		<input checked="" type="checkbox"/> Corporate Governance <input checked="" type="checkbox"/> Risk Management and Compliance
Policy Brief, organization-wide policy (or policies) that define the organization's overall commitment relating to the Society Aspects or state where this can be found in the public domain (e.g., web link).		<input checked="" type="checkbox"/> Kyocera Employee's Action Guideline <input checked="" type="checkbox"/> Corporate Governance and Internal Control Systems <input checked="" type="checkbox"/> Risk Management and Compliance
Organizational responsibility The most senior position with operational responsibility for Society Aspects or explain how operational responsibility is divided at the senior level for these Aspects.		<input checked="" type="checkbox"/> Corporate Governance and Internal Control Systems
Training and awareness Procedures related to training and raising awareness in relation to the Society Aspects.		<input checked="" type="checkbox"/> Advancing Kyocera Philosophy Education <input checked="" type="checkbox"/> Thorough Legal Compliance <input checked="" type="checkbox"/> Cultivating Human Assets
Monitoring and Follow-Up Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.		<input checked="" type="checkbox"/> Thorough Legal Compliance (Legal Audit System) <input checked="" type="checkbox"/> Construct Partnerships with Business Associates

<p>Additional Contextual Information</p> <p>Additional relevant information required to understand organizational performance, such as:</p> <ul style="list-style-type: none"> • Key successes and shortcomings; • Major organizational risks and opportunities; • Major changes in the reporting period to systems or structures to improve performance; and • Key strategies and procedures for implementing policies or achieving goals. 		<p>→ Corporate Governance</p> <p>→ Risk Management and Compliance</p>
■ Local Communities		
● SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	<p>→ Social Contribution Activities</p> <p>→ Green Communication</p>
● SO9	Operations with significant potential or actual negative impacts on local communities	<p>→ Environmental Risk Management</p>
● SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	<p>→ Environmental Risk Management</p>
■ Corruption		
● SO2	Percentage and total number of business units analyzed for risks related to corruption	<p>→ Internal Control Audits of the Kyocera Group</p> <p>→ Thorough Legal Compliance (Legal Audit System)</p>
● SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	<p>→ Advancing Kyocera Philosophy Education</p> <p>→ Thorough Legal Compliance</p>
● SO4	Actions taken in response to incidents of corruption	-
■ Public Policy		
● SO5	Public policy positions and participation in public policy development and lobbying	-
○ SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	-
■ Anti-Competitive Behavior		
● SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	-
■ Compliance		
● SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	-

Product Responsibility		
■ Disclosure on Management Approach		
Goals and Performance Organization-wide goals regarding performance relevant to the Product Responsibility Aspects.		→ Approaches to Raising Quality and Customer Satisfaction Levels
Policy Brief, organization-wide policy (or policies) that defines the organization's overall commitment to the Product Responsibility Aspects, or state where this can be found in the public domain (e.g., web link).		→ Corporate Motto / Management Rationale (Methods of Management) → Approaches to Quality Improvement (Kyocera Quality Policy, Kyocera Product Safety Policy)
Organizational responsibility The most senior position with operational responsibility for Product Responsibility Aspects, or explain how operational responsibility is divided at the senior level for Product Responsibility Aspects.		→ Approaches to Quality Improvement (Quality Management System)
Training and awareness Procedures related to training and raising awareness in relation to the Product Responsibility Aspects.		→ Approaches to Quality Improvement (Quality Management System)
Monitoring and Follow-Up Procedures related to monitoring and corrective and preventive actions, including those related to the supply chain.		→ Thorough Legal Compliance (Legal Audit System) → Construct Partnerships with Business Associates → Approaches to Quality Improvement (Quality Management System)
Additional Contextual Information Additional relevant information required to understand organizational performance, such as: <ul style="list-style-type: none"> • Key successes and shortcomings; • Major organizational risks and opportunities; • Major changes in the reporting period to systems or structures to improve performance; and • Key strategies and procedures for implementing policies or achieving goals. 		→ Approaches to Raising Quality and Customer Satisfaction Levels
■ Customer Health and Safety		
● PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	→ Approaches to Quality Improvement
○ PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	-

■ Product and Service Labeling		
<input checked="" type="radio"/> PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	➡ Development of Environmentally Friendly Products
<input type="radio"/> PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	-
<input type="radio"/> PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	➡ Approaches to Raising Customer Satisfaction Levels
■ Marketing Communications		
<input checked="" type="radio"/> PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	➡ Thorough Legal Compliance (Appropriate Information Disclosure)
<input type="radio"/> PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	-
■ Customer Privacy		
<input type="radio"/> PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	-
■ Compliance		
<input checked="" type="radio"/> PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	-

ISO26000

ISO26000 Core Subjects	Issues	References
Organizational Governance	-	<ul style="list-style-type: none"> ➡ Top Management Message ➡ Kyocera Group Corporate Social Responsibility (CSR) ➡ Corporate Governance
Human Rights	<ol style="list-style-type: none"> 1. Due diligence 2. Human rights risk situations 3. Avoidance of complicity 4. Resolving grievances 5. Discrimination and vulnerable groups 6. Civil and political rights 7. Economic, social and cultural rights 8. Fundamental principles and rights at work 	<ul style="list-style-type: none"> ➡ Risk Management and Compliance ➡ Supply Chain Management ➡ Respect for Human Rights and Diversity
Labour Practices	<ol style="list-style-type: none"> 1. Employment and employment relationships 2. Conditions of work and social protection 3. Social dialogue 4. Health and safety at work 5. Human development and training in the workplace 	<ul style="list-style-type: none"> ➡ Respect for Human Rights and Diversity ➡ Cultivating Human Assets ➡ Building a Safe & Secure Work Environment
The Environment	<ol style="list-style-type: none"> 1. Prevention of pollution 2. Sustainable resource use 3. Climate change mitigation and adaptation 4. Protection of the environment, biodiversity and restoration of natural habitats 	<ul style="list-style-type: none"> ➡ Kyocera Group Environmental Management ➡ Green Management ➡ Green Products ➡ Green Factories ➡ Green Communication
Fair Operating Practices	<ol style="list-style-type: none"> 1. Anti-corruption 2. Responsible political involvement 3. Fair competition 4. Promoting social responsibility in the value chain 5. Respect for property rights 	<ul style="list-style-type: none"> ➡ Risk Management and Compliance ➡ Supply Chain Management

Consumer Issues	<ol style="list-style-type: none">1.Fair marketing, factual and unbiased information and fair contractual practices2.Protecting consumers' health and safety3.Sustainable consumption4.Consumer service, support, and complaint and dispute resolution5.Consumer data protection and privacy6.Access to essential services7.Education and awareness	<ul style="list-style-type: none">➡ Risk Management and Compliance➡ Supply Chain Management➡ Customer Concerns
Community Involvement and Development	<ol style="list-style-type: none">1.Community involvement2.Education and culture3.Employment creation and skills development4.Technology development and access5.Wealth and income creation6.Health7.Social investment	<ul style="list-style-type: none">➡ Social Contribution Activities➡ Green Communication



KYOCERA Corporation

About the cover design



U-Shaped Kelcima

Kyocera was established in 1959 as a small suburban workshop where 28 young colleagues pursued big dreams. Our first product was a U-shaped ceramic insulator (known as a Kelcima) for use within early television picture tubes.

Today, Kyocera is a highly diversified global enterprise. We pursue boundless dreams by accepting challenges that others timidly avoid.

We believe that a strong will can make dreams come true, and that limitless effort can overcome any obstacle. These beliefs from Kyocera's history remain the driving force behind our growth.

We aim to become a creative company that grows continuously throughout the future. Kyocera Group employees around the world who have adopted this challenging spirit personify our path to growth.

The cover design features illustrations of the U-shaped Kelcima.

Inquiries

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