

THE NEW VALUE FRONTIER



Kyocera Group
CSR Report
2018

KYOCERA Corporation

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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 peace.

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.

Coexistence

In order for the human race to survive and prosper in the future, we must remember the concept of coexistence. This is the concept that all living things on Earth must coexist together.

All living things on Earth, including human beings, depend on each other for survival.

In the future, management must be based on collaboration for mutual success. Fostering relationships where we all share a common vision and are willing to help one another and share in the burden so we can all grow together — this is the kind of management philosophy that future prosperity will require.

Based on the idea of coexistence, Kyocera will continue to strive towards corporate activities aimed at the prosperity and harmony of humankind.



Kazuo Inamori
Founder and
Chairman Emeritus
KYOCERA Corporation

Kazuo Inamori

Top Management Message

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



Chairman, KYOCERA Corporation President, KYOCERA Corporation

Goro Yamaguchi

Hideo Tanimoto

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.

Kyocera will contribute to the advancement and development of humankind and society through practice of the Kyocera Philosophy.

Contributions to Society through Business Activities

Modern society faces various challenges including economic globalization, diversification of people’s values, increasing energy demand, climate change, and global population growth. The Kyocera Group seeks to expand its business with an emphasis on growing markets such as Information & Communications, Automotive, Environment & Energy, and Medical & Healthcare. By focusing on these areas, Kyocera Group is able to deliver positive benefits to society through our corporate activities.

In the Information & Communications market, we are working on the development of products with high added value that contribute to performance enhancement, multi-functionality, downsizing, and thinning of digital consumer equipment such as smartphones as well as components for 5G (the 5th generation mobile communication system). By leveraging our product and service expertise in a wide range of businesses, from component parts, devices, equipment, and systems integration, we also aim to create new value for society in the fast growing area of IoT (Internet of Things).

In the Automotive market, we set up an organization staffed and operated across the Kyocera Group in order to meet broad market needs, particularly within the areas of electrical components, environmental-friendliness, and Advanced Driver Assistance Systems (ADAS). This cross-organizational group works together on finding innovative new ways to expand the functionality of our existing products and win new customers. At the same time, we continue to reinforce our technological development capabilities and collaborate with customers to accelerate new product development in order to help create a safe, comfortable, and environmentally-friendly motorized society.

In the Environment & Energy market, we aim to contribute to the creation of an environmentally-friendly society by working on the expansion of high efficiency energy management systems designed to make effective use of generated power or stored power. We are also actively working to expand our energy power generation business using solar power generation systems, or fuel cells, and the energy storage business using power storage units. More specifically, with energy self-consumption in the home gaining more and more attention, we are improving the conversion efficiency of solar modules, launching high-efficiency fuel cell systems to the market and diffusing large scale storage batteries. We also reinforce system development to promote stable power supply and power saving.

In the Medical & Healthcare market, we expand our businesses by pursuing synergies through our products ranging from materials and components to systems, and through cooperation with external organizations. We also expand our medical equipment business which includes products such as artificial joints. We reinforce development of new products for regenerative medicine and digital health care at the Medical Development Center, where development departments for this market are integrated, thereby contributing to improvement of quality of life (QOL) and development of medicine.

Handling of Global CSR Issues

In order for the Kyocera Group to compete globally and continue its high-rate of growth, we believe it is essential to further reinforce our management foundation, as well as expand locally rooted business activities while complying international rules and standards, respecting the diversity of every area in the world including customs and cultures, and achieving a balance with the environment.

The Kyocera Group is an active member of the UN Global Compact, the basic rules on human rights, labor, the environment and prevention of corruption, and conducts positive activities towards the resolution of CSR issues as a member of the international community.

Keenly aware of the philosophy of the Sustainable Development Goals (SDGs) adopted by the United Nations General Assembly, the Kyocera Group is actively engaged in various actions toward the fulfillment of the 2030 goals.

For environmental protection, we actively work on not only the development of environmentally-friendly products but also continually work on energy saving at production sites and prevention of climate change while looking to satisfy both ecology and economy. These actions have been evaluated by the Japanese Ministry of the Environment, and we have received the Minister of the Environment's Award for Global Warming Prevention Activity consecutively for eight years since 2010. In addition, we aim to stay as a lively, energetic group where all employees are happy working in a healthy way, as well as promote their potential, based on the Kyocera Group Health and Productivity Management Declaration.

We will continue to meet the expectations of all stakeholders of the Kyocera Group, thus building relationships of mutual trust and contributing to the robust development of society.

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.

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. The 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 children 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, and The Twelve Management Principles. All are based on the Kyocera Philosophy.

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 self-supporting 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 its 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 Pocketbook

Introduction: Adhere to Fundamental Rules

1. The Principle of One-to-One Correspondence
2. The Principle of Double-Checking
3. The Principle of Perfectionism
4. The Principle of Muscular Management
5. The Principle of Profitability Improvement
6. The Principle of Cash-Basis Management
7. The Principle of Transparent Management



Advancing Kyocera Philosophy Education

Kyocera Philosophy Education: Basic Concept and Structure

The Kyocera Group provides a variety of education programs to each employee to provide opportunities to familiarize themselves with the Kyocera Philosophy. The aim of these programs is to develop employees capable of realizing the Corporate motto "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," and contribute to the Group's global growth.

We regularly hold the Group-Wide Philosophy Committee headed by Kyocera's chairman which formulates the policies for Philosophy education and examines measures to promote understanding of the Philosophy and reinforce its practice.



Group-Wide Philosophy Committee

Application of Kyocera Philosophy Education

The Kyocera Group is expanding Kyocera Philosophy Education on a global basis in accordance with the policy of the Group-Wide Philosophy Committee. In Japan, we have both individualized programs carried out by each department, site, or Group company based on their own respective business conditions, as well as company-wide programs that support each of these programs. The individual programs conducted by each department, site, or Group company are mainly focused on Philosophy diffusion activities from the viewpoint of the frontline employees. The company-wide program is set to a standard study theme to create a sense of Group unity and to help foster employees capable of contributing to company management. In FY2018, educational programs were provided under the themes "reform and creation." Outside Japan, employee education that matches each local office is conducted by providing locally prepared programs along with common programs standardized along the same themes as in Japan.

Training Type		Top Management	Mid-Level Employee	Employee	Part-Time Employee
Philosophy Education	Japan	Philosophy Education by each Department, Site or Group Company			
		Group-Wide Common Philosophy Education Programs			Philosophy Education
	Outside of Japan	Philosophy Education by each Department, Site or Group Company			
		Global Philosophy Seminars		Philosophy Education for Employees	
Vitality Promoting Activity	Individual Support Tuned to Match the Issues Facing each Workplace				

Diagram of the Kyocera Philosophy Education System

Philosophy Education by each Department, Site or Group Company

The Kyocera Group has in place individual educational programs conducted by each department, site, or Group company. In Japan, organizations that promote Kyocera Philosophy educational activities are set up in each department, and opportunities are provided for leaders of those organizations to gather together and share their own experiences related to Philosophy practice and discuss specific examples. Outside Japan, local education managers take the initiative and promote activities that match the local culture and practice.

Example Approach

■ Activities of Group Companies in Korea

Kyocera Document Solutions Korea Co., Ltd. holds a book report contest after reading books by Kyocera founder Kazuo Inamori published in Korean to help employees learn the Kyocera Philosophy and reflect on their own work. They honor employees who write the most excellent reports with awards, and the awardees present their reports in front of all the employees. Kyocera Precision Tools Korea Co., Ltd. set up a project team staffed by local employees to translate the Kyocera Philosophy Pocketbook from Japanese to Korean. The translated Pocketbook is used in various ways including readings at workplaces.



Presentation of reports



Philosophy Pocketbook in Korean

Group-Wide Common Philosophy Education Programs

The Kyocera Group (Japan) provides Philosophy Education to all employees to nurture a sense of unity within the Group. Meant to help solve issues and problems differing from job to job, education programs provided in FY2018 were designed to impart the annual educational concept "Reform and Creation" in each of the three hierarchies so that employees can deepen their understanding of the Philosophy and renew their understanding in the context of their own unique job related challenges. Employees are also encouraged to practice the Philosophy on their own on a voluntary basis.

Vitality Promoting Activity

Kyocera's department in charge of education supports Philosophy education of departments and Group companies by planning individual training programs or providing teaching materials to help change the consciousness of each employee and vitalize the organization.

FY2018 Results of Kyocera Philosophy Education (Japan)

	Group-Wide Common Philosophy Education Programs (Top Management / Mid-Level Employee / Employee)	Philosophy Education (Part-Time Employee)
Total number of participants	45,540	7,400
Training hours and times per employee	Top management: 7 hours ×1 Mid-level employee and employee: 3.5 hours ×2	1 hours ×2

•Result data of the common programs

Global Philosophy Seminars

For overseas Group companies, Global Philosophy Seminars are held for top management and executives in the Europe, U.S.A., China, and Asia Pacific. As in Japan, these seminars are provided to help foreign employees earnestly learn the Kyocera Philosophy, reconfirm what an ideal leader is, and have a better understanding of the type of leadership required to achieve management goals.

Results of FY2018 Global Philosophy Seminars

Region	Venue(s)	Schedule	No. of participants
Europe	Dusseldorf	October 2017	91
U.S.A.	San Diego, Greenville, etc.	September 2017, February 2018, March 2018	228
China	Shanghai, Shilong, etc.	August 2017	368
Asia Pacific	Bangkok, etc	August 2017	368
Total			758



Participants listening to a lecture (China)



Group discussion (Europe)

Development of Philosophy Education Staff

Kyocera holds workshops for education staff of our sites in Europe, U.S.A., China, and Asia Pacific to support the global spread of Philosophy education. The workshops are intended to help education personnel of each area have a better understanding of Philosophy diffusion activities and share each area's problems and response measures to ultimately reinforce cooperation among the personnel. We intend to establish a system where local education personnel can design their own programs and operate them to vitalize the permeation activities of those areas.



Workshop for education staff

Diffusion Activities Based on Kyocera Group Philosophy Essays

The Kyocera Group (in Japan) annually asks for Kyocera Group Philosophy Essays from employees in order for them to reflect on their own experiences with the Kyocera Philosophy, have a clear awareness of the necessity of practical implementation of the Philosophy, and master it. This essay contest has been in place since FY1991. Some overseas Group companies also conduct the same contest.

Essays submitted by employees are reviewed and the authors of selected essays are awarded the Chairman Emeritus' Prize, the Chairman's Prize or the President's Prize.

In addition, some overseas Group companies are also engaged in spreading of Philosophy essays. A Group company in China started to invite contributions of Philosophy essays in FY2008 and published a collection of excellent essays. Furthermore, some Group companies in the U.S.A., Europe, and Asia also hold Philosophy Essay Contests.



Awarding of excellent essays



Collection of Philosophy essays edited in Japan and China

Kyocera Group Corporate Social Responsibility (CSR)

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.



Kyocera Group CSR Guidelines

The Kyocera Group establishes the Kyocera Group CSR Guidelines, our standards of corporate conduct, and will act towards the creation of a sustainable society.

Kyocera Group CSR Guidelines

Introduction

Since its foundation, Kyocera has declared that it will “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” as its management rationale and has managed its business based on the Kyocera Philosophy – the core of management in the Kyocera Group. By practicing the Kyocera Philosophy on a daily basis, we will contribute to the sound development of society as well as build mutual trust with stakeholders, and continuously develop the Kyocera Group.

We therefore establish the Kyocera Group CSR Guidelines, our standards of corporate conduct, and will act towards the creation of a sustainable society.

These guidelines apply to Kyocera Corporation and Kyocera Group companies, as well as all executive officers and employees.

1. Basic duties

We shall observe laws, regulations and corporate rules, have unshakable moral values based on the Kyocera Philosophy and perform corporate activities globally, making decisions based on the criterion of “What is the right thing to do as a human being?”

2. Human rights and labor

We shall respect fundamental human rights.

- 2-1. We shall always be aware of changes in work environments and the characteristics and culture of each country to build up a personnel system that can respond appropriately.
- 2-2. We shall respect the human rights of employees and not treat them severely or inhumanely, including abuse or any type of harassment.
- 2-3. We shall promote the creation of attractive, rewarding work environments by attempting to share opinions and information with employees.
- 2-4. We shall respect the right of freedom of association based on the laws, regulations and labor practices of each country.
- 2-5. We shall not allow forced labor or child labor.
- 2-6. We shall not engage in unfair and discriminatory treatment.

3. Health and safety

We shall observe laws and regulations related to health and safety, fire control, and undertake health and safety measures more actively and continuously including through the implementation of risk assessment and emergency preparedness to provide work environments that are accident and disaster-free, where employees can work in safety and free from anxiety.

4. Environmental conservation

We shall regard the Kyocera Environmental Charter as our guideline for the environmental protection activities to be achieved. We shall perform improvement activities more actively and continuously to contribute to global environmental protection by working in a comprehensive fashion on environmental measures such as environmental preservation, energy conservation, climate change prevention, resource conservation, global environmental product development and biodiversity conservation. At the same time, we shall communicate those efforts widely to society.

5. Fair trade and ethics

We shall always carry out fair trade in the spirit of equity and fair play.

- 5-1. We shall compete fairly, transparently and freely, and carry out fair trade.
- 5-2. We shall arrange and manage a clear import and export management system in accordance with related laws and regulations in Japan and overseas.
- 5-3. When procuring materials, we shall conform to laws and regulations, do business faithfully, justly and fairly without abusing any dominant bargaining position, and work to build up partnerships based on mutual trust.
- 5-4. We shall request business partners to understand and cooperate with our CSR activities.
- 5-5. We shall create, protect and utilize intellectual property rights, respect the intellectual property rights of others, and prevent any violation of their rights.
- 5-6. We shall neither offer nor receive inappropriate profits in relationships with stakeholders.
- 5-7. We shall maintain sound and normal relationships with political organizations and the authorities, and shall never offer bribes or illegal political contributions.
- 5-8. We shall steadfastly maintain an attitude of confrontation with antisocial forces and reject any unjust claim.
- 5-9. We shall carry out activities to prevent wrongdoing and also arrange systems to detect and respond to it immediately.
- 5-10. We shall not purchase any materials or products including conflict minerals or metals derived from them that create a source of funds for armed groups causing human rights violations.

6. Quality and product safety

We shall regard the Kyocera Quality Policy and Kyocera Product Safety Policy as our guidelines to be achieved.

7. Information disclosure

We shall always foster communication with society through appropriate information disclosure and active PR and IR activities; and aim at being a fair, highly transparent and open business enterprise.

- 7-1. We shall strive to disclose information to stakeholders including stockholders and investors quickly, appropriately and fairly; and promote understanding of our management and business activities.
- 7-2. We shall foster fair stock transactions and strive to prevent insider trading such as the buying and selling of stocks based on undisclosed internal information.

8. Information security

We shall be aware that personal information and confidential information are important and strive to prevent information leakages while maintaining and promoting information security.

- 8-1. We shall be aware that personal information is important information that constitutes privacy, and strive to protect it thoroughly.
- 8-2. We shall properly manage and protect confidential information received from customers or third parties, and confidential information of companies obtained in the conduct of business, and prevent any leakage or misuse.

9. Business continuity plan (BCP)

We shall formulate a BCP and aim for quick recovery and operation even if concerns over supply arise due to disaster, etc.

10. Social contribution

Based on the awareness that a business enterprise is a member of society, we shall do our duty at all times as a corporate citizen that supports the development of local communities and society, and carry out various social contribution activities, not just business.

- 10-1. We shall actively interact with local people and support sports to contribute to the development of local communities.
- 10-2. We shall strive to do our duty as a member of society through various activities that contribute to society such as education, research, culture, the arts, international exchange and cooperation, and environmental protection activities.

Response to International Standards and Initiatives

Utilization of ISO26000

The Kyocera Group effectively uses ISO26000, the international guidance standard related to social responsibility issued in November 2010. ISO26000 puts together items to be reviewed in implementing CSR activities and summarizes them as seven core subjects. The Kyocera Group evaluates our own CSR activities based on these core subjects and conducts continuous improvement for reinforcement of our CSR management.

■ Seven Core Subjects of ISO26000 and Corresponding References

Core subjects	References
Organizational Governance	Management
Human Rights	Respect of Human Rights / Optimal Work Environment
Labour Practices	
The Environment	Environmental Activities
Fair Operating Practices	Fair Business Activities
Consumer Issues	Customer Concerns
Community Involvement and Development	Social Contribution Activities

Participation in the UN Global Compact

The Kyocera Group is a participant of the United Nations Global Compact — an initiative proposed in 1999 by the then UN Secretary-General Kofi Annan which was officially established in 2007. The Compact consists of 10 principles in four areas: human rights, labour, the environment, and anti-corruption.

The Kyocera Group continues to contribute to society' s sustainable growth by practicing these ten principles without fail.



Ten Principles of the UN Global Compact

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 labor.
- 5: Businesses should uphold the effective abolition of child labor.
- 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.

Action toward the Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) adopted by the United Nations General Assembly in September 2015 are composed of 17 goals and 169 associated targets and aimed at wiping out poverty and realizing a sustainable world by 2030. Achievement of the SDGs requires world-wide action and corporations are also encouraged to take action voluntarily. Conscious of the philosophy of the SDGs, the Kyocera Group is determined to take active measures toward achievement of the goals in 2030.

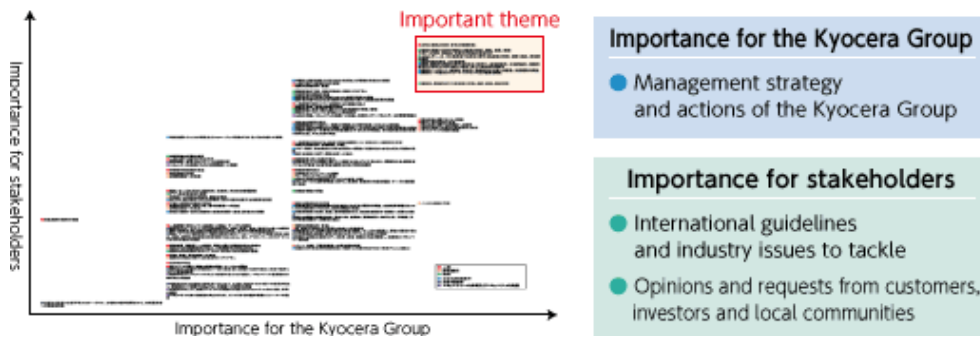
SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



Important Themes of CSR Activities

The Kyocera Group uses an evaluation sheet based on the “core subjects and issues” and “related actions and expectations” described in ISO26000 and makes evaluations from two viewpoints: “importance for stakeholders” and “importance for the Kyocera Group.”



The Kyocera Group actively conducts the following CSR activities as important themes based on the evaluation results.

■ Important Themes of CSR Activities

● Response to environmental problems
Environmental Activities

● Respect for diversity
Diversity and Inclusion /
Work Life Balance

● Supply chain management
Policy and Systems Related to
Purchasing Activities
Measures to Address Conflict
Minerals

Enhance Communication with all Stakeholders

CSR 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 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 at local facilities and of the Kyocera Group as a whole; we also exchange views about CSR measures with the participants. In FY2018, 107 people participated in the CSR meetings at 6 sites.



Introduction of CSR Activities
(Shiga Gamo Plant and Shiga Yohkaichi Plant)



Explanation during a factory tour
(Nagano Okaya Plant)

Goals and Results of CSR Activities

	FY2018 Goals		FY2018 Results	FY2019 Goals
Management Philosophy	<ul style="list-style-type: none"> Education and Permeation of the Kyocera Philosophy 	<ul style="list-style-type: none"> Partial revision of the education programs and holding of training that matches each employee ranking 	<ul style="list-style-type: none"> Implement distinct training programs aimed at solving the unique problems of each managerial position 	<ul style="list-style-type: none"> Host leadership training focused on management and mid-level employees
		<ul style="list-style-type: none"> Further strengthening of Philosophy training promotion systems that match the actual conditions in each country or region 	<ul style="list-style-type: none"> Teaching materials developed or prepared to meet multi-lingual needs Study meetings or regional conferences held for local education personnel 	<ul style="list-style-type: none"> Further strengthening of Philosophy training promotion systems that match the actual conditions in each country or region
Management	<ul style="list-style-type: none"> Reinforcement of communication with stakeholders for greater mutual trust 	<ul style="list-style-type: none"> Continuation of communication with local society through periodic holding of CSR Report Meetings 	<ul style="list-style-type: none"> CSR Report Meetings held for stakeholders around each plant, including local residents, customers, administration (107 people at 6 sites) 	<ul style="list-style-type: none"> Continuation of communication with local society through periodic holding of CSR Report Meetings
	<ul style="list-style-type: none"> Realization of highly transparent corporate governance and internal control systems 	<ul style="list-style-type: none"> Further enhancement of corporate governance systems and internal control systems 	<ul style="list-style-type: none"> Disclosure of the operation status of corporate governance systems and internal control systems 	<ul style="list-style-type: none"> Further enhancement of corporate governance systems and internal control systems
	<ul style="list-style-type: none"> Promotion of diversity & inclusion 	<ul style="list-style-type: none"> Promotion of measures to expand the number of women in managerial positions 	<ul style="list-style-type: none"> Host positive action promotion committee meeting Implement training about career planning 	<ul style="list-style-type: none"> Implement female management training
		<ul style="list-style-type: none"> Development of a working environment friendly to LGBT employees 	<ul style="list-style-type: none"> Implement LGBT training for supervisors in human resources and general affairs departments 	<ul style="list-style-type: none"> Further develop a positive working environment for LGBT employees
		<ul style="list-style-type: none"> Promotion of actions to improve the employment rate of disabled persons 	<ul style="list-style-type: none"> Set employment rate targets at each working place and promote employment activities Develop coordination with regions and related institutions, and actively accept work experience 	<ul style="list-style-type: none"> Promotion of actions to improve the employment rate of disabled persons
		<ul style="list-style-type: none"> Further promotion of support of full-time working to realize childcare or nursing care 	<ul style="list-style-type: none"> Implement information session to explain about babysitter assistance expansion and to introduce babysitter companies 	<ul style="list-style-type: none"> Promote work style reforms aimed at improving work satisfaction

Respect for Human Rights / Optimal Work Environment	<ul style="list-style-type: none"> Reinforcement of measures on human resource development 	<ul style="list-style-type: none"> Enhance overseas training program 	<ul style="list-style-type: none"> Plan the new overseas training program Expand the number of people dispatched for Filipino language training Implement training to promote understanding of foreign cultures 	<ul style="list-style-type: none"> Enhance overseas training program
	<ul style="list-style-type: none"> Reinforcement of management for health and safety 	<ul style="list-style-type: none"> Japan: total accident frequency rate of 0.5 or under Lost time accident frequency rate of 0.15 or under Zero fire or explosion accidents Overseas: total accidents per 1,000 persons of 1.0 or under Zero fire explosion accidents 	<ul style="list-style-type: none"> Japan: total accident frequency rate of 0.83 Lost time from accident frequency rate of 0.27 Four fire accidents Overseas: total accidents per 1,000 persons of 1.3 Four fire accidents 	<ul style="list-style-type: none"> Japan: total accident frequency rate of 0.4 or lower Lost time accident frequency rate of 0.15 or lower Zero fire or explosion accidents Overseas: total accidents per 1,000 persons of 1.0 or under Zero fire or explosion accidents
		<ul style="list-style-type: none"> Continuation of measures for health development 	<ul style="list-style-type: none"> Blood checks newly held to measure health risks including stomach cancer In-house Occupational Health Physicians' Meetings held for dedicated industrial physicians from each site 	<ul style="list-style-type: none"> Implementation of Total Health Promotion (THP)

Environmental Activities	<ul style="list-style-type: none"> • Achievement of Environment Vision 2020 	<ul style="list-style-type: none"> • Implementation of activities towards the achievement of a Low-Carbon Society Contribution Factor of 3 in 2020 	<ul style="list-style-type: none"> • Low-Carbon Society Contribution Factor 3 achieved ahead of schedule (FY2018 result: 3.95) 	<ul style="list-style-type: none"> • Further improvement of Low-Carbon Society Contribution Factor
	<ul style="list-style-type: none"> • Promotion of environmentally friendly products 	<ul style="list-style-type: none"> • Reinforcement of the Green Procurement Promotion System 	<ul style="list-style-type: none"> • The revised Green Procurement Guideline was distributed to business associates to request their further reinforcement of management 	<ul style="list-style-type: none"> • Reinforcement of the Green Procurement Promotion System
	<ul style="list-style-type: none"> • Promotion of environmental consciousness at factories and offices 	<ul style="list-style-type: none"> • Improvement of the basic unit improvement rate for greenhouse effect gas emission, energy consumption, water consumption and industrial waste emission at all production sites by 1% or more compared to that of FY2017 	<ul style="list-style-type: none"> • Greenhouse effect gas emission basic unit: 11.8% improvement from FY2017 • Energy consumption basic unit: 7.1% improvement from FY2017 • Water consumption basic unit: 6.3 % improvement from FY2017 • Industrial waste emission basic unit: 3.7 % improvement from FY2017 	<ul style="list-style-type: none"> • Improvement of the basic unit improvement rate for greenhouse effect gas emission, energy consumption, water consumption and industrial waste emission at all production sites by 1% or more compared to that of FY2018
	<ul style="list-style-type: none"> • Environmental communication with local society 	<ul style="list-style-type: none"> • Promote environment communication through environmental education support, biodiversity preservation activities, etc. 	<ul style="list-style-type: none"> • On-site eco lessons for children (participants: 4,885 children in Japan and 93 in China) • Implementation of forestation activities (Nagano and Kyoto) • Participate in tree-planting events (Thailand) and environmental development events (Mexico) 	<ul style="list-style-type: none"> • Promotion of environmental communication through environmental education support and biodiversity preservation activities
	<ul style="list-style-type: none"> • Promotion of risk management 	<ul style="list-style-type: none"> • Reinforcement of risk management systems for overseas group companies 	<ul style="list-style-type: none"> • Reinforcement of risk management systems for overseas group companies • Education to risk management staff at overseas group companies • Development of the risk assessment for overseas Kyocera group companies 	<ul style="list-style-type: none"> • Promote support for manufacturing control strategy based on the risk assessment

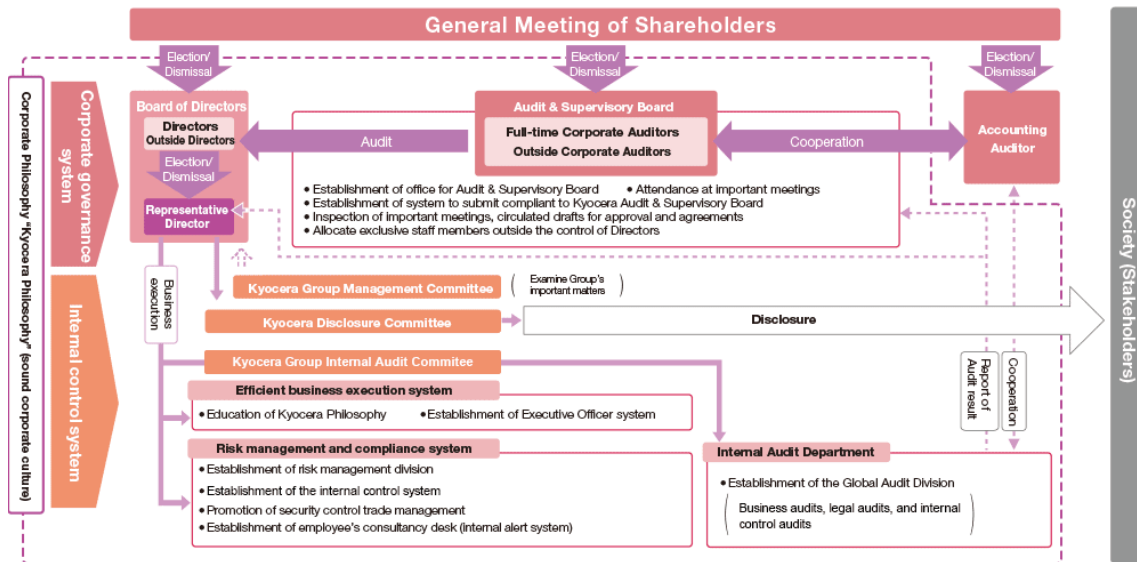
Fair Business Activities		<ul style="list-style-type: none"> Reinforcement of monitoring system for cyber attacks or internal fraud Enhancement of information security education 	<ul style="list-style-type: none"> Implement examination and strengthen monitor systems against cyberattacks and internal fraud Enhance educational materials for information security 	<ul style="list-style-type: none"> Strengthen cooperation and technical measures against cyberattacks and internal fraud Strengthen risk assessment controls regarding electronic information security
		<ul style="list-style-type: none"> Continued maintenance of BCP activities and improvement of workability 	<ul style="list-style-type: none"> Comparative investigation and validity review of current activities related to international and industry standards Initiate self-monitoring of domestic group companies 	<ul style="list-style-type: none"> Continue maintenance of BCP activities
		<ul style="list-style-type: none"> Continue BCP expansion to overseas group companies 	<ul style="list-style-type: none"> Expand BCP to overseas group companies where activities have not been implemented 	<ul style="list-style-type: none"> Respond to new risks resulting from social and environmental changes
		<ul style="list-style-type: none"> Implement periodic survey of client business's BCP initiative conditions 	<ul style="list-style-type: none"> Implement survey of client business's BCP initiatives for approximately 4,000 components considered critically important 	<ul style="list-style-type: none"> Plan and implement component risk reduction measures bases on the survey results
	<ul style="list-style-type: none"> Thorough legal compliance 	<ul style="list-style-type: none"> Implementation of management reinforcement by introduction of customer audit system 	<ul style="list-style-type: none"> Introduce customer inspection system and implement smooth and precise survey response 	<ul style="list-style-type: none"> Promote customer examination management at overseas group companies
		<ul style="list-style-type: none"> Starting expansion of the legal audit for the business processes started at domestic group companies 	<ul style="list-style-type: none"> Complete development of operational legal monitoring process for principal domestic (Japan) group companies 	<ul style="list-style-type: none"> Development of operational legal monitoring process for all domestic (Japan) group companies
	<ul style="list-style-type: none"> Reinforcement of supply chain management 	<ul style="list-style-type: none"> Continuation of holding of supplier seminars and social gathering events 	<ul style="list-style-type: none"> Host supplier seminars and social events in Kyoto for 236 people from 196 major business associates 	<ul style="list-style-type: none"> Continuation of holding of supplier seminars and social gathering events
		<ul style="list-style-type: none"> Reinforcement of supply chain management in overseas 	<ul style="list-style-type: none"> Implement survey of CSR activities both domestic in Japan and overseas 	<ul style="list-style-type: none"> Strengthen supply chain management both domestically in Japan and overseas.

Customer Concerns	<ul style="list-style-type: none"> ● Efforts towards the raising of quality and customer satisfaction levels 	<ul style="list-style-type: none"> ● Continue response for CS indicator improvement 	<ul style="list-style-type: none"> ● Customer claim index of 85.9% compared to the previous year (14% improvement) 	<ul style="list-style-type: none"> ● Continue response for CS indicator improvement
Social Contribution Activities	<ul style="list-style-type: none"> ● Promotion of social contribution activities 	<ul style="list-style-type: none"> ● Implement activities including the support of academic advancement and research, support for culture and the arts, and international exchange and collaboration 	<ul style="list-style-type: none"> ● Supported the Inamori Foundation's "Kyoto Prize" to honor those who achieved outstanding success in the fields of Advanced Technology, Basic Sciences, Arts and Philosophy ● Special exhibition: "Dawn of Restoration – Exhibition Commemorating the 150th Anniversary of the Battle of Toba-Fushimi" held at The Kyocera Museum of Art ● 10 Vietnamese children invited to Japan as part of a cultural exchange tour 	<ul style="list-style-type: none"> ● Implement activities including the support of academic advancement and research, support for culture and the arts, and international exchange and collaboration

Corporate Governance

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 and Internal Control Systems

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.

Structure of Business Management

The Board of Directors

The Board of Directors of Kyocera is an organization to decide the important matters and to supervise the execution of businesses of the Kyocera Group as a whole. It consists of Directors including three Outside Directors. The Directors are nominated by the General Shareholders Meeting based on the proposal of candidates who have enough understanding of the Kyocera Group and with outstanding “personality” , “capability” and “insight” to engage in the management of the Company.

Besides, the Company adopts the Executive Officer system to facilitate the efficiency of the management of the Company. The execution of the businesses of the Company is undertaken by the Executive Officers under the instruction of the President and Representative Director of the Company. The President and Representative Director is nominated by the Board of Directors, which undertakes the management decision and supervision of the execution of businesses. The Representative Director directs the Executive Officers report the status of the execution of the businesses to the Board of Directors, and the Board of Directors makes sure that the businesses is efficiently executed. As such, the Company clarifies the responsibility and authority to achieve efficient management of the Company, and to realize the efficient functionality of appropriate corporate governance and internal control of the Company.

Kyocera has two Outside Directors. One of them is an Independent Outside Director. The other one, for who we have not given notice of independent director to the Tokyo Stock Exchange, nonetheless provides us with pertinent advice and supervision over the Board of Directors from an objective standpoint based upon plenty of experiences and appropriate expertise as a corporate manager.

Audit & Supervisory Board

Kyocera has Audit & Supervisory Board Members and Audit & Supervisory Board based on the corporate governance policy and the provision of its Articles of Incorporation which was approved by the General Shareholders Meeting. Audit & Supervisory Board Members include one full-time Audit & Supervisory Board Member originally an employee of the Company, one Audit & Supervisory Board Member who is familiar with the Company and who has plenty of knowledge and experience as an attorney-at-law, as well as two Outside Audit & Supervisory Board Members, who have plenty of knowledge and experience as an attorney-at-law or Certified Public Accountant. The Audit & Supervisory Board Members are conducting audits of the Company as a whole based on accurate information about the Company gathered from inside and utilizing a variety of view-points as an outsider of the Company. Audit & Supervisory Board Members are conducting audits pursuant to the audit policy and audit plan established every fiscal year. Moreover they attend the meetings of the Board of Directors and other important meetings, so that they have access to necessary information to conduct their task and they check the soundness of the management of the Company from various points of view.

The Kyocera Group Management Committee

Kyocera established “the Kyocera Group Management Committee” consisting of the Directors of the Company. The Committee examines not only the agenda of the meetings of the Board of Directors but also other important matters relating to the execution of the businesses of the Kyocera Group as a whole, and holds meetings every month regularly to secure the sound management of the Kyocera Group as a whole.

With respect to the nomination and remuneration of Directors and Audit & Supervisory Board Members, the Kyocera Group Management Committee and the Board of Directors examines them and receive advice thereon from the Outside Directors, so that the decision relating thereto shall be made in a fair and appropriate manner.

The Kyocera Disclosure Committee

Kyocera has established an organ known as the “Kyocera Disclosure Committee” which is primarily entrusted with the role of implementing the abovementioned fundamental policies of the Company for disclosure of corporate information. This Committee investigates all disclosure documents for the purpose of assuring the appropriateness of disclosures of corporate information, reporting the results of its investigations to the President and Representative Director and being the principal independent internal organ of the Company which educates Group companies concerning rules relating to disclosure and promotes appropriate disclosure of information for the entire Group.

Remuneration to the Directors

Remuneration to the Directors of Kyocera consists of two components, namely, “basic remuneration” and “bonus to Directors”. Basic remuneration is remuneration to be paid based on the responsibility of each Director and the amount shall be decided based on the importance of responsibility. Level of the amount to be paid to each Director shall be decided taking into consideration the amount of the remuneration of other companies doing similar businesses with the Company, provided that the total amount of basic remuneration to all Directors shall be 400 million yen or less per year. The bonus to Directors is remuneration linked with the performance of the Company. The total amount thereof to all Directors shall be 300 million yen or less per year, and besides, shall be 0.2% or less of the amount of net income attributable to shareholders of the Company for the relevant fiscal year. The amount shall be decided based on the contribution of each Director for the performance of the Company. Remuneration to the Audit & Supervisory Board Members of the Company consists of “basic remuneration” only to secure the neutrality of audit. The total amount of basic remuneration to the Audit & Supervisory Board Members shall be 100 million yen or less per year.

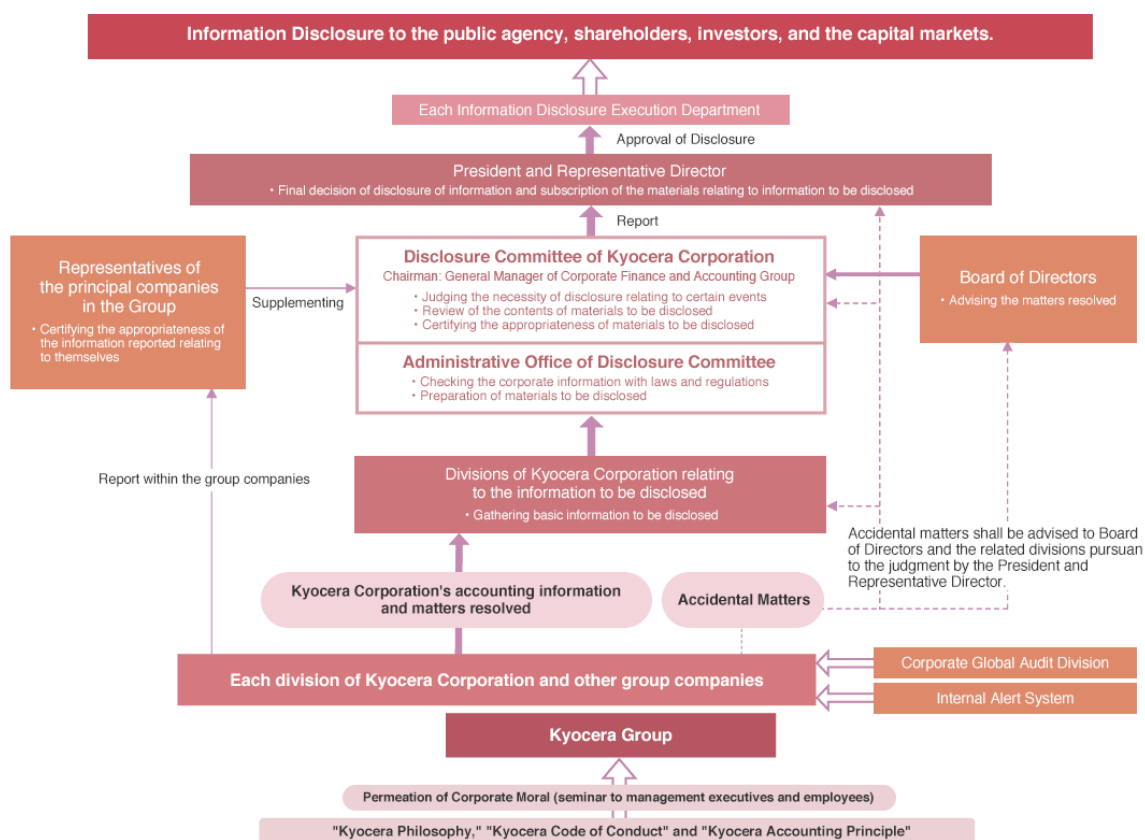
System for Internal Complaint Reporting to the Audit & Supervisory Board

In case employees, suppliers, customers and other individuals or organizations associated with the Kyocera Group find conduct that violates or is likely to violate the laws on accounting or matters related to auditing, such as illegal sale or transaction, or feel suspicious of any such conduct, they are encouraged to directly notify the Audit & Supervisory Board by e-mail or letter by means of the System for Internal Complaint Reporting to the Audit and Supervisory Board put in place for this purpose.

Fundamental Attitudes of Timely Disclosure

Kyocera, based on the ethical views appearing in “The Kyocera Philosophy,” believes that it is important to enjoy a high degree of trust from its shareholders, investors and other stakeholders. For this purpose, Kyocera recognizes that sincere efforts to provide timely and appropriate disclosure of corporate information are indispensable and has accordingly established the following basic policies toward the disclosure of information.

1. “With respect to the disclosure of information, it shall be our policy to disclose both favorable information and unfavorable information timely in an equal and accurate manner.”
2. “With respect to the disclosure of information, it shall be our policy to disclose information without delay and in a fair manner, with no bias towards the domestic or foreign, and without preference towards specific persons.”



Corporate System for the Timely Disclosure

Internal Control Audits of the Kyocera Group

Kyocera was listed on the New York Stock Exchange until June 26, 2018, and because of this, we had been among the companies to which Section 404 of the Sarbanes-Oxley Act applies. Section 404 requires business operators to construct and maintain internal control systems relating to fiscal reporting. It assesses the effectiveness of internal control systems through internal audits based on internal control evaluation criteria. As Kyocera voluntarily delisted its stocks from the New York Stock Exchange, we will assess the effectiveness of internal control systems based on the Companies Act and the Financial Instruments and Exchange Act (J-SOX rules).

Promotion of Diversity and Inclusion

Diversity and Inclusion / Work Life Balance

To realize the Management Rationale, which is “to provide opportunities for the material and intellectual growth of all our employees,” Kyocera Group strives to create a workplace environment that enables all its employees to make the most of their own personality and talents, as well as work cheerfully and energetically while feeling pride in the company and satisfaction in their work.

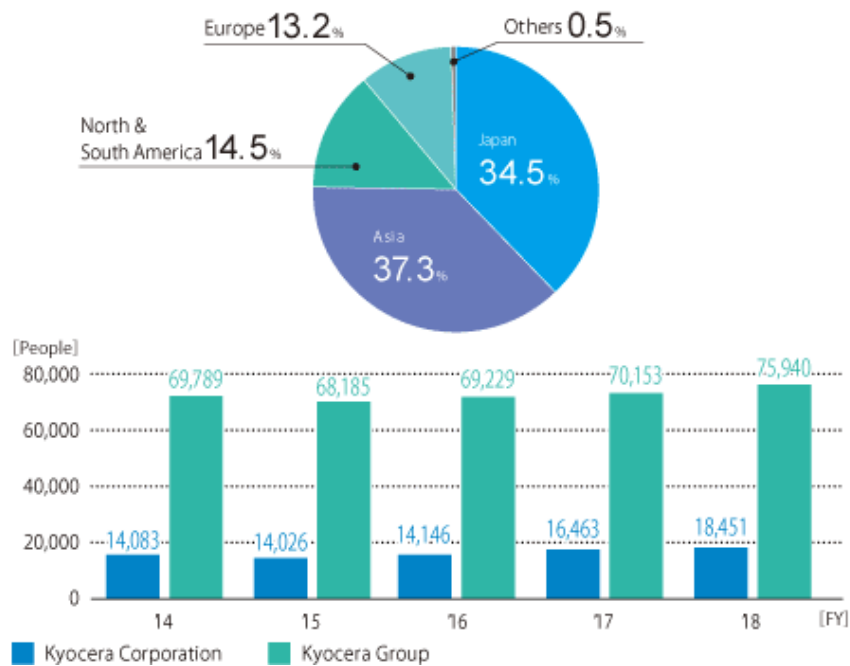
While business is becoming more and more global, it is very important as a company to have personnel with a diverse sense of values who can do their work to the fullest. Aware of this trend, we hope to be a company that enables us to respect each other while maintaining our own diverse sense of value, compete each other, align mental vectors, and continue to courageously take on new challenges toward ambitious goals.

We promote diversity and inclusion to help make Kyocera remain an ever-growing company into the future.

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. Kyocera directly employs students who graduate from Chinese universities and graduate schools from the viewpoint of the employment and development of personnel who will lead our global development in the future. We will also continue to employ foreign students studying in Japan.

Ratio & No. of Employees by Region (as of March 31, 2018)

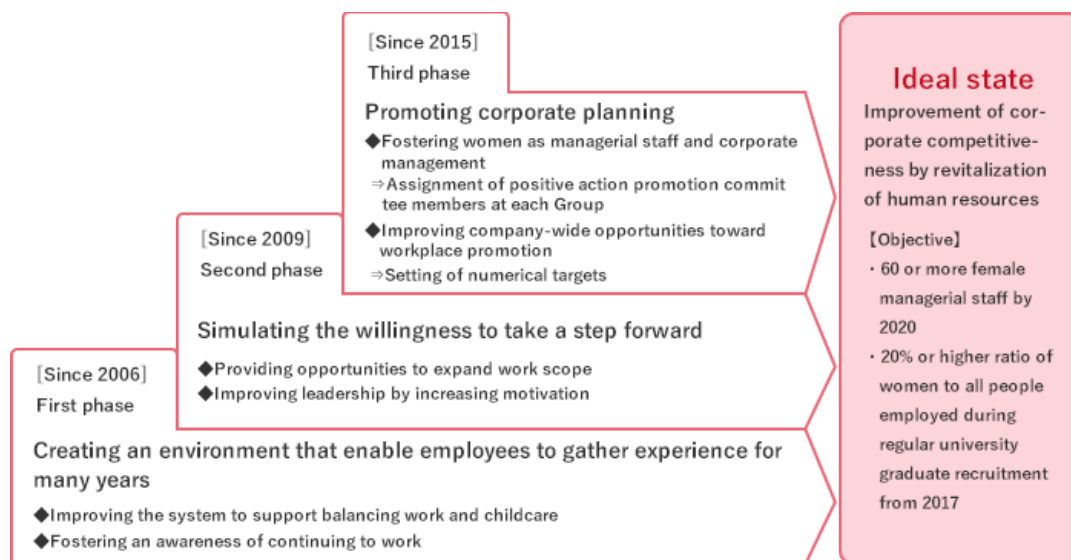


Promoting the Careers of Women in the Workplace

At Kyocera, promoting the careers of women in the workplace is seen as one of our core management themes, and this action started in 2006, with the President serving as the general director. The major mainstays of this action include an increase in the number of female managers, as well as the total number of women employed, improvement of the support systems for balancing work and childcare, and development of corporate culture reform.

In FY2017, we set two specific numerical goals to “increase the number of woman employees whose position is section manager or higher to 60 by 2020” and to “improve the ratio of women employed by the ‘regular university graduate recruitment system’ to 20% in and after 2017 (10% in the science course and 40% in the humanities course) starting in 2017,” to further promote the effort.

In FY2018, there are 45 female managers, and the ratio of women to all applicants employed in regular university graduate recruitment is 16% (7% in the science course and 37% in the humanities course). We continue to conduct various activities toward achieving our goals.



System and Action for Promotion of the Careers of Women in the Workplace

Kyocera puts a premium on awareness activities for corporate culture reform as part of our effort to promote the careers of women in the workplace. To be specific, the Woman’s Activity Promotion Committee was set up at each major site, with female employees selected from each workplace to serve as committee members carrying out various activities appropriate to solve pending problems for their respective sites. Furthermore, the Positive Action Promotion Committee was set up in each operating division during FY2017 in addition to those site-specific activities. The Committee holds a gathering once a year to discuss the working style of women.

The opinions and requests from the Woman’s Activity Promotion Committee and the Positive Action Promotion Committee are collected by the human resources department, and particularly important items are incorporated into personnel measures.

Kyocera intends to reinforce these activities to establish or improve the working environment for female employees while also listening to the voices of working women.

Measures for Child Care and Nursing Care

The Kyocera Group (Japan) has in place the Parental Leave System to help female workers satisfy to needs of both work and child care. A total of 230 employees used the system in FY2018. The Kyocera Corporation alone had 162 employees who used parental leave, and almost all of them were reinstated. In addition, the Shortened Workday System is also in place for child care and nursing care. 361 employees were using the system as of March 31, 2018.

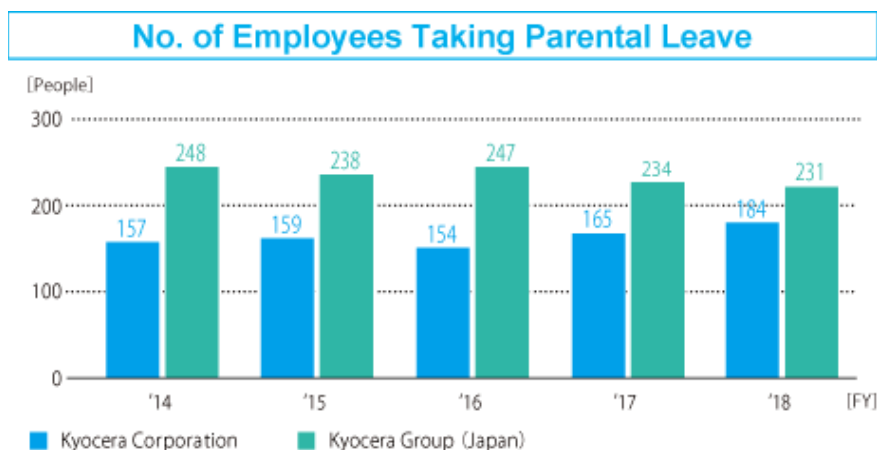
As a result of the availability of these systems and implementation of awareness activities, there is an increasing number of female workers who are raising their children at home. Currently 47% of female employees work for Kyocera while raising children.

For nursing care support, the Family Nursing Care Leave System is established to allow leave of up to one year, which exceeds the length designated by law. Since it is important to reduce employees’ anxiety regarding the balance between work and family care, the Guidebook for Balancing Career and Nursing Care is available on the internal portal site to provide relevant information to employees.

As a result of these efforts to improve the working environment at Kyocera, we are certified as a standard-compliant general business based on the Ministry of Health, Labour and Welfare’s Act on Advancement of Measures to Support Raising Next-Generation Children.

■ Examples of the Systems for Supporting a Balance of Career, Child Care and Nursing Care

	System	Description
Child Care	Parental Leave System	Applicable until one day prior to the child's first birthday. Extendable until the child reaches 2 years of age depending on the situation.
	Shortened Workday System	Applicable during pregnancy or the child finishes schooling of the third grade of elementary school. Working hours can be shorted by up to two hours a day.
	Subsidizes use of a baby-sitter	Applicable until the child finishes schooling of the third grade of elementary school. Maximum annual subsidy per child is 200,000 yen.
	Child Care Vacation	Up to five days per year per child providing the child is younger than elementary school age. 10 days for two or more children. Half-day leave may also be obtained.
Nursing Care	Family Nursing Care Leave	Total of one year per family member who needs nursing care (available in divisions).
	Working hours can be changed to match needs for nursing care.	When nursing care leave is not obtained, the work start time may be advanced or delayed within one year period.
	Family Nursing Care Vacation	Up to five days per year per family member who needs nursing care 10 days for two or more children. Half-day leave may also be obtained.
Others	Comeback Entry System	This system allows employees, who once left Kyocera for reasons such as child-rearing, nursing care, or other personal reasons, to reenter Kyocera. Former Kyocera employees are eligible for this system within 7 years after their departure. When a former employee applies for re-entry, Kyocera's job openings and the applicant's desire will be reviewed for appropriateness, and his/her re-employment will be approved if they are matched.



Action for LGBT (Gender Minority)

To further promote diversity and inclusion, we held training on LGBT to managers of the personnel and general affairs departments in FY2018. The training had an external lecturer who spoke about the facts of LGBT, including discussion that the rights of LGBT are human rights. The trainees deepened their understanding about the fundamental knowledge of gender diversity as well as the trends within and outside of Japan.

We intend to continue thinking about how to identify the concerns of LGBT people, including workplace challenges or what we can do to improve the working environment, in order to help each employee find it easier to work while respecting their own individual characteristics.



Training on LGBT

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. The Kyocera Group joined the United Nations Global Compact, a global platform setting out 10 fundamental principles relating to human rights, labor, environment, and anti-corruption, out of agreement with the main purport of the Compact. The Kyocera Group established the Kyocera Group CSR Guidelines and 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.

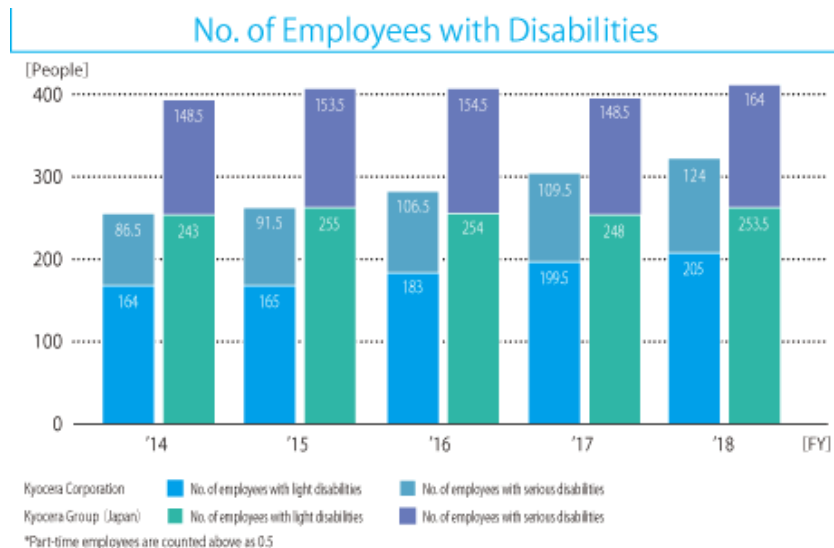
Measures Relating to Human Rights and Labor

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. In addition, human resource departments undertake independent checks for legal violations such as discrimination, appropriate payment and working hour management according to labor-related laws and regulations, in-house rules, and labor agreements with unions. Auditing departments also carry out audits regularly to ensure thorough legal compliance.

Employment for People with Disabilities

Kyocera is committed to the hiring of people with disabilities and to promoting their continued employment. Employees with disabilities hired by Kyocera are assigned with consideration so that their jobs and workplaces match their capabilities.

We continue to conduct various structural improvements specifically designed to make elevators and bathrooms friendly to employees using wheelchairs, and the installation of braille plates at various places. In addition, we provide health care support by industrial physicians. Through these actions, we promote the development of an attractive work environment that allows all employees to feel satisfied. In FY2018, we actively accepted people with disabilities intending to receive work place experience through coordination with the local community and relevant organizations. At Kyocera, an employment rate target was set at each work site to promote these actions. As of March 2018, the rate of employees with disabilities is 2.20%. Kyocera intends to develop specific action plans and actively employ people with disabilities to enhance the rate of employees with disabilities.



Approaches to Stimulating Communication

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

The Kyocera Group believes it is necessary to maintain family-like relationships of trust among employees, and thus considers company events and “compa” to be very important. 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. At company events or “compa,” employees can deepen communication with executives and managers, get to know co-workers in other departments better, and deepen mutual relationships and ties.

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.



Athletic meet (Vietnam)

Example 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

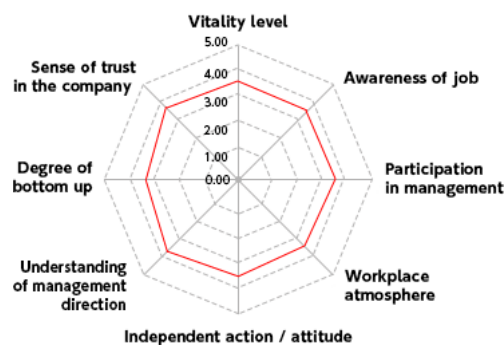
Meetings of labor and management representatives are held each month in Kyocera plants and offices. The purpose of the meetings is to verify working conditions for employees and the workplace environment, and to actively exchange views on matters needing improvement, among other issues.

■ Kyocera Group Sports Festival

At Kyocera, great emphasis is put on building relationships based on trust and heart-to-heart bonds among employees. At the 2017 athletic meet, which marked the 38th annual event, 24 teams who outperformed their preliminary competitors from plants, offices and domestic Group companies of Kyocera took part in a competition in Tokyo under the slogan “Gather at Tokyo with Passion! Show Your Combined Strength and Dash Together to Championship!!”

Measures for Raising Workplace Vitality

The Kyocera Group (Japan) regularly conducts an awareness survey of all employees. The survey focuses on topics such as the level of satisfaction with work and the workplace environment, the management situation, the sense of trust in the company, and suggestions for improvements. Responses from each organizational unit are analyzed, enabling diagnosis of the “vitality level” in each workplace.



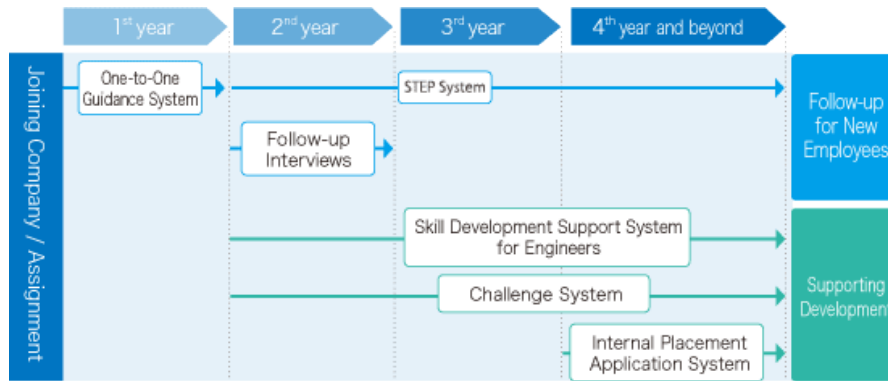
2016 workplace vitality diagnosis results (Kyocera Group in Japan)

Cultivation of Human Resources

Systems for the Cultivation of Human Resources

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.

Kyocera helps employees grow based on the following system:



Structure of the Human Resource Development System

One-to-One Guidance System

Kyocera has established a One-to-One Guidance System to support the growth of new employees. Under this system, a guidance manager is assigned to each new employee. Guidance managers undertake close communication with new employees, including periodic interviews, and provide fine-tuned guidance. Follow-up interviews are also provided by human resource departments. New employees therefore enjoy a system that gives them advice from various viewpoints.



STEP System

Based on the idea that employees grow steadily step by step as if they go up the stairs and move to the next level, Kyocera established the STEP system for new employees up to the fifth year of employment to support the growth of younger employees. When there are regular opportunities for communication between subordinates and supervising employees, young employees are encouraged to talk about their thoughts and ideas with their supervisors, and the supervisors listen to them and share their thoughts. This creates a feeling of oneness among all employees, which then helps support the growth of young employees.

Skill Development Support System for Engineers

Kyocera has an Engineer Ability Development & Support System to help engineers enhance their credentials independently. This system clarifies the level of roles expected of each engineer and allows engineers to quantitatively understand the skills necessary for their roles. This system leads to improved engineering capabilities for the organization as a whole.

Challenge System

Kyocera also has another system for human resource development, the Challenge System. It allows the sharing of employee work targets with supervisors and improves employee capabilities through interviews with supervisors. This helps employees understand their roles and encourages them to work proactively on their job and skill development. It also aims to create a working environment where every employee can work actively and brightly. Supervisors, by heeding subordinate feedback, endeavor to improve the ability of the organization to reach goals and succeed in business.

Internal Placement Application System

Kyocera's Internal Placement Application System was established to provide employees with information on departments that need personnel immediately, for example, due to the start of a new project or expansion of an existing business. Since this system provides employees with various opportunities that allow them to experience different positions at their own will, it serves as an effective means of support for employee career improvement. The optimal assignment of personnel is also another important goal for the company.

Human Resource Education

The Kyocera Group provides human resource education aimed at improving both theoretical and practical aspects of education, understanding and practice of the Kyocera Philosophy and mastering of the specialized knowledge and skills necessary to execute work. Kyocera thus endeavors to optimize human resources who can help us achieve the Management Rationale by providing a variety of education programs based on the education system composed as follows for each objective:

Training Type		Top Management	Mid-Level Employee	Employee	Part-Time Employee
Philosophy Education	Japan	Philosophy Education by each Department, Site or Group Company			
		Group-Wide Common Philosophy Education Programs			Philosophy Education
	Outside of Japan	Philosophy Education by each Department, Site or Group Company			
		Global Philosophy Seminars		Philosophy Education for Employees	
Vitality Promotion Activity	Individual Support Tuned to Match the Issues each Workplace				
Management Education	Training by hierarchy	Plant Manager & General Office Manager Training	Sales Office Manager Training		
	Training to supervisors	Executive Promotion Training	Training for Department Managers	Training for Team Leaders	
		Deputy Manager Promotion Training	Deputy Super-intended Promotion Training	Presentation of task research	New Employee Training
				New Employee Training	General Skills Training
Technical Training		HA* Training	Mid-Level Engineer Training	Specialized Technical Training	Basic Technical Training Sales Training for New Employees
Global Education		Training for Employees Going on Overseas Assignment	Overseas Training System	Training for Improvement of Basic English Skills	

*Human Assessment

Human Resource Education System

Education Results in FY2018

	Philosophy Education	Management Education	Technical Training	Global Education
No. of Course Participants	45,540 people	1,713 people	1,963 people	228 people
Average Annual Training Hours Per Employee	1 day	2.5 days	1.5 days	4.4 days

Management Education

Kyocera provides training to supervisors — the leaders of the organization — to develop executives with advanced management capabilities. In addition, Kyocera aims to improve employees' management capabilities by providing the training to employees necessary in each stage of their career development, from the time of entry into the company to mid-level and executive positions, so that they can learn the skills and knowledge required to fulfill their tasks on a step-by-step basis.

Technical Training

It is Kyocera's goal to develop human resources with a wide range of basic knowledge and advanced expert knowledge in all departments, including engineering, R&D, manufacturing, quality assurance, sales and management. Specific training programs include Basic Technical Training for first year employees, Specialized Technical Training mainly for young engineers, and Mid-Level Engineer Training for mastery of technical management. The training curriculum covers a wide range, such as materials technology, manufacturing technology, production technology, and quality control. Kyocera employees can take the training necessary for their assignments under this training system.



Technical training

Global Education

Kyocera established an Overseas Language Training System and Overseas Graduate School Study System in order to foster human resources who can thrive on the global stage. First established in 1984, these systems have sent employees to various regions around the world, including USA, Europe, China, Southeast Asia, and India. Kyocera is thus promoting the 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 the development of internationally minded employees.

Furthermore, Kyocera provides those employees scheduled to be sent overseas sites and employees in overseas sales with training programs to understand foreign cultures. Many employees take part in this training every year.



Overseas training

Building a Safe & Secure Work Environment

Occupational Health and Safety Policy

In carrying out its business activities, the Kyocera Group actively promotes measures related to environmental safety based on our management rationale and makes continuous improvement of environmental safety performance through operation of the management system.

- Kyocera will comply with laws, agreements, and internal standards regarding the environment and work safety.
- Kyocera will support corporate social responsibility (CSR) activities and communicate with various stakeholders.
- Kyocera aims to build a corporate culture that creates an accident-free and disaster-free workplace environment where everyone can work safely and with peace of mind.
- Kyocera will identify problems to tackle based on risk assessment, taking action to solve issues in order to prevent the occurrence of occupational accidents.
- The Kyocera Group strives to build a work environment where employees feel healthy, enjoy job satisfaction and can reach their maximum potential by promoting mental and physical health.

* Abstract from the Kyocera Group Environmental Safety Policy

Approaches to Occupational Health and Safety and Management System

The Kyocera Group has in place a safety and disaster prevention management system according to the Occupational Safety and Health Management System (OHSAS18001) and promotes efforts for occupational safety and health. In Japan, Kyocera conducts continuous improvement activities by identifying problems to tackle based on the risk assessment, taking actions to solve potential risk areas, and conducting audits at various sites.

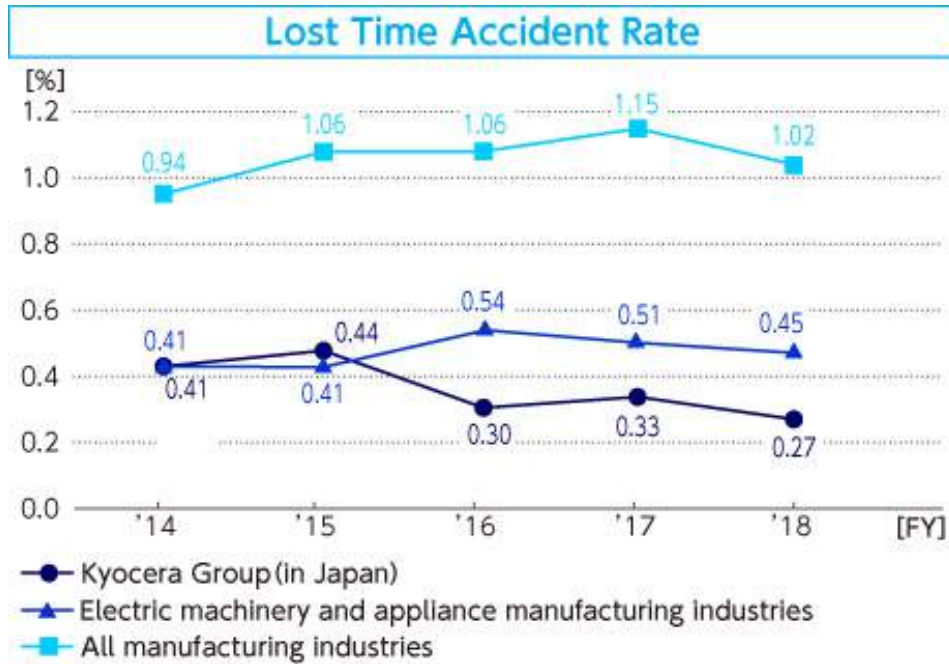
In FY2018, a risk evaluation was conducted by external experts for the purpose of preventing fire accidents. As a result of this investigation, risks in the manufacturing process of domestic Group companies were identified, and appropriate fire prevention measures were implemented.



Risk evaluation
(Shiga Yasu Plant)

Changes in Lost Time Accident Rate of the Kyocera Group (in Japan)

The lost time accident rate of the Kyocera Group (Japan) in FY2018 was 0.27, lower than the average of all manufacturing industries as well as the electric machinery and appliance manufacturing industries. Kyocera will continue to take action to reduce industrial accidents and create a safe working environment safe for all its employees.



- * The lost time accident rates of all manufacturing industries and electric machinery and appliance manufacturing industries are based on the data of the Ministry of Health, Labour and Welfare.
- * Lost time accident rate: No. of afflicted persons/1 million hours
- * The number of days of missed work is as per the standard of the Ministry of Health, Labour and Welfare.
- * Annual data are used for the lost time accident rate of the Kyocera Group (in Japan). (One or more days-off)

Example Approach

■ Holding Information Sessions on Workplace Safety

The Kyocera Group regularly holds information sessions about onsite work safety in order to prevent business partners who enter our sites for service or other related work from being involved in accidents. In FY2018, an information session was held at each site in Japan about campus safety work rules and activities for accident prevention. During these sessions, Kyocera's staff and business partners mutually confirmed safety precautions and shared a renewed sense of safety awareness.



Safety information sessions (from left to right: Hokkaido Kitami Plant, Nagano Okaya Plant, and Kyoto Ayabe Plant)

■ Environmental Safety Technology Exchange Meeting in China

The Kyocera Group held an environmental safety technology exchange meeting in China to improve the level of environmental safety management at each overseas production site and to share safety information. About 30 people including managerial staff and engineers from the headquarters of Kyocera and the Kyocera Group sites in China participated in this technology exchange meeting. They made presentations of problems related to environmental safety and improvement measures in addition to sharing research results and technical information to ultimately improve the environmental safety management level at each site in China. Kyocera intends to carry out various activities to maintain and improve environmental safety management at overseas sites.



Technical exchange meeting
(Shanghai Kyocera Electronics Co. Ltd.)

■ Certified Superior Health and Safety

Kyocera Document Solutions Inc. actively takes actions to ensure the health and safety of its employees together with efforts to maintain and improve a high level of health and safety standard. For their effort, the company was certified as a health and safety superior enterprise by the Ministry of Health, Labour and Welfare. This certification was the first among the manufacturing industry in Osaka prefecture, Japan. We will continue our work to maintain and improve the level of health and safety by actively taking relevant measures, including those for elimination of industrial accidents, prevention of excessive labor, reduction in the number of employees who were found to have anomalies in their medical checkup results, and improvement in the rate of taking paid leave.



Certificate awarding ceremony



White Mark (Yujiro)

■ Skill Upgrading and Basic First-Aid Training

The Kyocera Group regularly provides basic first-aid training with the cooperation of the fire departments so that employees can calmly and appropriately carry out life-saving aid in the event of an emergency. Participants learn the right way of handling AED and the cardiopulmonary resuscitation (CPR) technique in the lecture. One of the employees of the Kagoshima Sendai Plant who took the lecture found a man afloat on the sea while surfing in February 2017 and swiftly administered life-saving first-aid treatment jointly with the surrounding people. His action was awarded a certificate of appreciation by the mayor of Akune city. The Kyocera Group continues to promote the teaching of skills for CPR and AED widely among employees so that we can help save lives during an emergency.



Basic first-aid training (Kagoshima Sendai Plant)

Actions for Health Enhancement

The Kyocera Group is undertaking various measures to raise health awareness among all employees and support health in body and mind.

Actions for THP (Total Health Promotion) Activity

The Kyocera Group carries out total health promotion (THP) activities to help employees maintain and improve their physical and mental health so that they feel happy with their health and to make the company a more productive and lively group of employees. It is clearly declared in the Health and Productivity Management Declaration that the Kyocera Group is engaged seriously in health improvement of its employees. In addition, we actively conduct health improvement activities, including measures to promote healthy eating habits, exercise, non-smoking, and mental health, to develop and establish the necessary health-related systems to make a healthy and productive company.

Kyocera Group Health and Productivity Management Declaration

The Kyocera Group declared as its corporate principle, “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,” in the Management Rationale and has conducted management based on this philosophy since it’s the company’s foundation.

Since the physical and mental health of employees is indispensable to realize this management rationale, the Kyocera Group carries out total health promotion (THP) activities to conduct “health and productivity management.”

Kyocera aims to remain a lively and energetic group where all of its employees are delighted to work in a healthy way while achieving their maximum performance potential.

July 3, 2018
President, Kyocera Corp.
Hideo Tanimoto

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 and they are being introduced globally. At each worksite, employees regularly evaluate the degree of 5S achievement using a company-wide standardized check list. This actively encourages employees to identify points to improve as their worksite task and involves all members as the main players for improvement. It is a rule that evaluators are those who completed 5S training and passed the test so as to prevent evaluation inconsistency and ensure judgment from a more objective viewpoint. Through these activities, Kyocera aims to create a working environment that allows every employee to work in a safe and secure atmosphere and to help every individual employee greatly improve their 5S awareness and upgrade their sensitivity.



Field explanation on 5S Promotion Activities
(Kagoshima Hayato Plant)

Kyocera Group Environmental Basic Philosophy and Policy

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.

It is Kyocera Group policy to render any industrial waste as harmless as possible by using the latest technology. In addition to the Environmental Vision 2020, which has been our medium- and long-term guideline, we formulated the Kyocera Group Environmental Safety Policy and the Kyocera Group Environmental Safety Target to promote active and continuous environmental protection activities.

Kyocera Environmental Charter

Based on the concept of “Coexistence (Living Together),” the Kyocera Group established the Kyocera Environmental Charter, which provides for comprehensive measures on 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 create a low-carbon producing society, recycling society and a society in harmonious coexistence with nature.

Kyocera Group Environmental Safety Policy

The Kyocera Group has put in place the Kyocera Group Environmental Safety Policy, which combines policies on the environment and safety and sanitation, including reduction in environmental loads through product life cycle or control of greenhouse gas emissions throughout the entire value chain, to promote comprehensive measures for environmental safety based on its management rationale in conducting business activities.

Environment Vision 2020

The Kyocera Group has established the Environment Vision 2020, which clarifies the goals to be achieved by 2020 in order to work on environmental management aimed at sustainable growth while satisfying both ecology and economy demands.

Kyocera Group Environmental Safety Targets

The Kyocera Group has set the Kyocera Group Environmental Safety Targets, which set basic unit improvement targets for greenhouse gas, energy, water and industrial wastes, and targets for control of industrial accidents and zero fire accidents.

Kyocera Environmental Charter

Established: October 1, 1991

Revised: June 1, 2013

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 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.

Kyocera Group Environmental Safety Policy and Targets

Kyocera Group Environmental Safety Policy

In the course of business activities, through operation of the management system, the Kyocera Group will take comprehensive measures to proactively promote environmental protection and work safety, adhering closely to the Company's basic philosophy and to continuously improve environment and safety performance.

■ Kyocera Group Environmental Safety Policy

- Kyocera will comply with laws, agreements, and internal standards regarding the environment and work safety.
- Kyocera will increase research and development into products that make a positive contribution to the enhancement of the global environment and minimize environmental impact at all stages of the product life cycle; and the Company will strive to spread the use of such products.
- Kyocera will promote greenhouse gas emission control in the value chain to contribute to the prevention of climate change.
- Kyocera will contribute to the realization of a society with sustainable recycling of resources by purchasing materials with low environmental impact, reducing the volume of new resource consumption, and minimizing waste.
- Kyocera will advance conservation of biodiversity by minimizing negative impacts on the natural environment, as well as by protecting and nurturing the natural environment.
- Kyocera will support corporate social responsibility (CSR) activities and communicate with various stakeholders.
- Kyocera aims to build a corporate culture that creates an accident-free and disaster-free workplace environment where everyone can work safely and with peace of mind.
- Kyocera will identify problems to tackle based on risk assessment, taking action to solve issues in order to prevent the occurrence of occupational accidents.
- The Kyocera Group strives to build a work environment where employees feel healthy, enjoy job satisfaction and can enjoy job satisfaction reach their maximum potential by promoting mental and physical health.

Kyocera Group Environmental Safety Targets

The Kyocera Group has set the Kyocera Group Environmental Safety Targets, which set targets in four items of greenhouse gas, energy, water, and industrial wastes; and targets for control of industrial accidents and fire accidents.

■ Kyocera Group Environmental Safety Targets

- (1) In all production sites, greenhouse gas emissions, energy consumption^{*1}, water consumption^{*2}, and industrial waste discharge will be reduced by 1% or more from the previous year in terms of energy consumption unit
- (2) In Japan, the target for total accident frequency rate is 0.5 or less; and lost time accident frequency rate is 0.15 or less. Overseas, the target for total accidents per 1,000 persons is 1.0.
- (3) Fire accidents target is zero.

*1 Energy consumption: all sites in Japan including manufacturing sites and non-manufacturing sites

*2 Water consumption: except sites which do not consume water in the production line

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

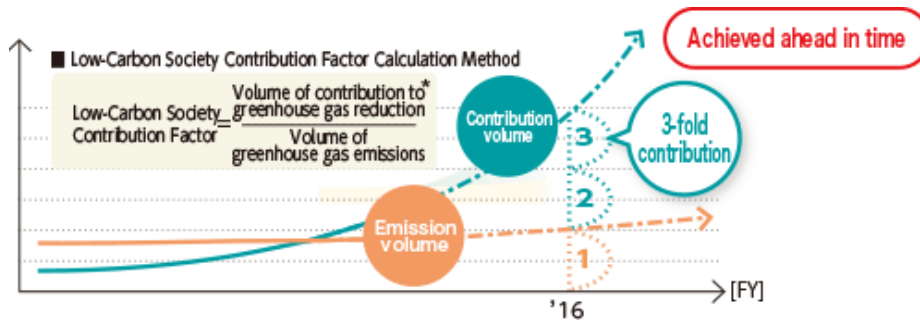
The Environment Vision 2020 sets our own index, the Low-Carbon Society Contribution Factor, which comprehensively evaluates the “level of contribution to greenhouse gas reduction” by using Kyocera’s environmentally friendly products in addition to control-level of greenhouse gas emissions in our business activities, thereby helping establish a low-carbon society.

The Low-Carbon Society Contribution Factor in FY2017 was 3.95. This was the target for FY2020, which means the target was fulfilled ahead of schedule in 2016. Currently, Kyocera is considering a new target for FY2030 to more actively carry out activities toward realization of a low-carbon society.

* For this page only, fiscal years (FY) are counted in the style of Japan, where the fiscal year is represented by the year in which it begins (April 1).

■ Result of Low-Carbon Society Contribution Factor

FY	'13	'14	'15	'16	'17	Target
Factor	1.70	2.12	2.85	3.19	3.95	FY2020: 3.00



*Value of the energy-production effect equivalent assuming solar power generation systems produced and sold by Kyocera continue power generation for 20 years converted to the greenhouse effect gas. The emission coefficient used in this conversion is 0.505 kg-CO₂/kWh. (based on the Industry's Voluntary Rule on Labeling by the Japan Photovoltaic Energy Association)

Participation in the Low-Carbon Society Action Plan

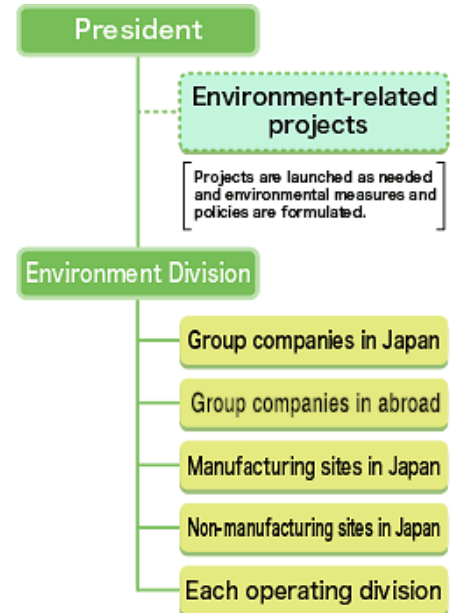
Kyocera participates in the electric and electronic industries' Low-Carbon Society Action Plan to fulfill our contribution to the realization of a low-carbon society. To be specific, what we attempt to achieve by 2020 includes reductions in CO₂ emissions by 1% annually on average in energy basic units and reductions in CO₂ emissions in products. Our efforts are in concert with the industry's commitment to climate change prevention.

Green Management

Environmental Management Promotion System

The Kyocera Group formulates environment-related policies and measures through reviews and discussions in the Planning and Policy Division, Environment Division and other related divisions with the President as leader. Environment-related projects are set up whenever required to take on any environment-related challenges and resolve outstanding issues.

A separate organization has been established with the Environment Division playing a central role so that Kyocera can continue activities for environmental protection. Specifically, the contents of the Kyocera Group Global Environment Policy are assimilated into our environment management system based on ISO14001 and managed through the monthly PDCA process.



Environmental Management Promotion System

Environmental Education

The Kyocera Group provides systematic environmental education to help all employees understand the significance of environmental protection activities and their roles in them. Specifically, environment education is divided into general/awareness education and special education and is provided to employees systematically depending on their rank and occupation so as to improve environmental awareness.

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

Efforts to Improve Employees' Environmental Awareness

The Kyocera Group sets a specific period, in which environmental preservation activities, such as energy-saving or power-saving activities, are actively implemented in order to improve employees' environmental awareness and enhance environmental preservation activities at plants and offices.

The Kyocera Group (Japan) held energy-saving activities including Green Curtains and energy-saving patrol for four months from June to September under the name of the Summer Eco Action 2017 in order to improve the environmental awareness of employees and reinforce actions for energy-saving during the summer.



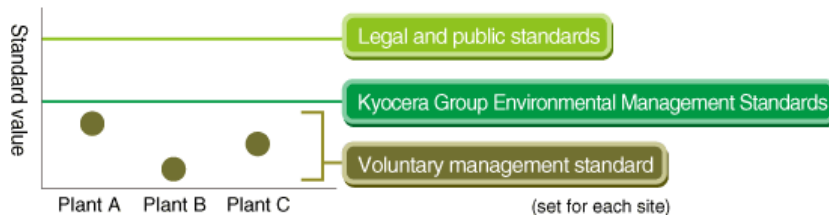
Summer Eco Action 2017(Japan)



Tree-planting activity conducted together with local residents (Thailand)

Environmental Risk Management

The Kyocera Group established the Kyocera Group Environmental Management Standard in 1992, which is stricter than statutory and public regulations on emissions, wastewater, soil and groundwater. Based on this Environmental Management Standard, we have more stringent voluntary management standards for each site. Thorough management for environmental conservation is thus ensured using these strict standards, including periodic environmental measurement.



Kyocera Group Environmental Management Standard (set for each site)

Dealing with Emergencies

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 drill (Kagoshima Kokubu Plant)

Compliance with Environment-related Laws, Regulations and Ordinances

The Kyocera Group had an issue related to improper labeling of wastes in China in FY2018, but the problem was swiftly corrected. At the Kagoshima Kokubu Plant, local residents complained about odor from the site; this complaint was also resolved promptly.

■ Reports on soil or groundwater contamination

The Kyocera Group (Japan) conducts soil surveys and provides survey reports to competent local governments according to the Soil Contamination Countermeasures Act. Consequently, a total of four areas were designated as an area which requires action as per the Act: including our sites in Asahi City, Chiba, in 2013; Ebetsu City, Hokkaido, in 2014; Hachioji City, Tokyo, in 2014; and Mikasa City, Hokkaido, in 2015.

It is reported that there is no confirmation of any spread to or impact in the surrounding areas of those sites. We take appropriate measures in close cooperation with each competent administration.

Environmental Audit

The Kyocera Group conducts periodic internal audits to make sure the Environmental Management System is being run properly based on the requirements of ISO14001. The results and corrective actions are reflected in the review and in the improvement of the Environment Management System.



Environmental Audit

Environmental Accounting

The Kyocera Group established an Environmental Accounting system and started its operation in 2002. In business activities, the cost spent on environmental preservation, its preservation effects, and resultant economic effects are all quantified to provide feedback for active environmental preservation measures.

Range of data collection: 145 sites

Sites collectively certified under the Kyocera Group Integrated Environment & Safety Management System
Period covered: April 2017 through March 2018

Environmental Accounting Analysis Results (FY2018)

In FY2018, our efforts achieved a financial effect of 900 million yen by active promotion of energy saving and waste reduction relative to an investment of 556 million yen.

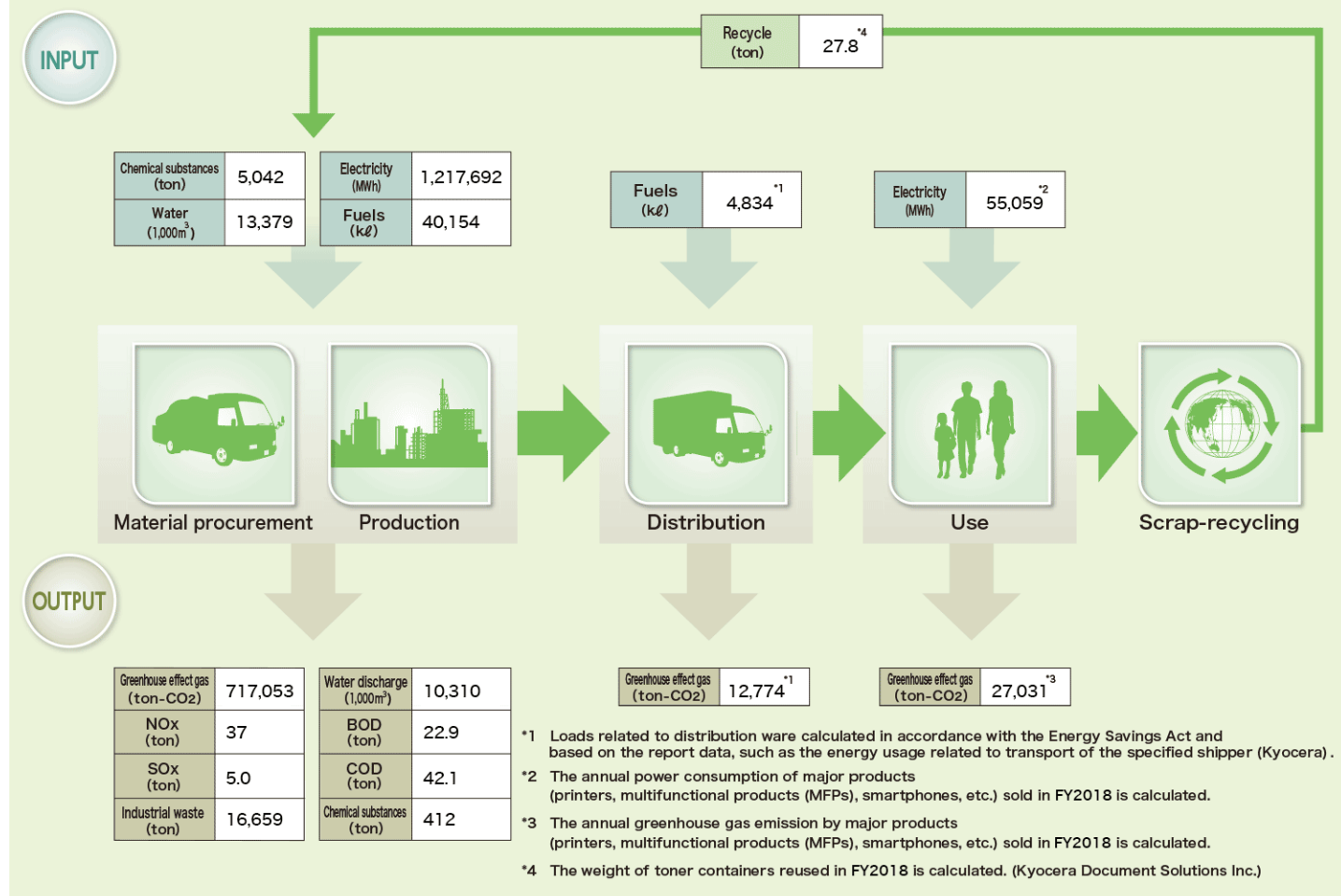
Environmental Conservation Effects

Effect Content	Investment (million yen)		Effect (million yen)		Effect content		
	FY2017	FY2018	FY2017	FY2018	Unit	FY2017	FY2018
Reduction of energy consumption	263	556	771	705	kℓ (crude oil equivalent)	13,283	11,617
Reduction of waste			88	91	Tons	2,836	1,271
Reduction of water usage			15	45	1000m ³	423	894
Others			82	59	—	—	—
Total	263	556	956	900	—	—	—

Overall Environmental Impact

The Kyocera Group monitors and manages the relationship of business activities and environmental burdens as numerical data. The data for each stage of materials procurement, manufacturing, distribution, use, and disposal/recycling are used in the formulation of measures and the analysis and assessment of results to realize effective reductions in environmental burdens.

Manufacturing sites of the Kyocera Group (Japan)



Input Items

Chemical substances	Amount of used chemical substances specified by PRTR (Class 1 chemical substances)
Water	Amount of city water, industrial water and groundwater consumption
Electricity	Electricity purchased from electric power companies
Fuels	Amount of fuels used as energy, such as LPG, light oil, and heavy oil(crude oil equivalent)

Output Items

Greenhouse gases	Amount of 6 major gases discharged, including CO ₂ and PFC, as a result of electricity, gas and fuel consumption
NOx	Amount of nitrogen oxides discharged from gas and fuel consumption
SOx	Amount of sulfur oxides discharged from gas and fuel consumption
Industrial waste	Amount of discharged industrial waste generated by business Activities
Water discharge	Amount of discharged water into rivers (except water discharged to sewage system)
BOD	Load of discharged biochemical oxygen demand
COD	Load of discharged chemical oxygen demand
Chemical substances	Release and transfer amount of chemical substances specified by PRTR (Class 1 chemical substances)

Green Products

Development of Environmentally Friendly Products

The Kyocera Group aims for every product that it sells to contribute to the betterment of the global environment and endeavors to develop environmentally friendly products.

Kyocera has clearly specified the “Concept of Environmental Consciousness” to guide our design of environmentally conscious products. Kyocera also establishes “Green Products” as those designed to contribute actively to climate change prevention, energy conservation, resource conservation, and the reduction of hazardous substances, and has set up evaluation criteria for each product based on the Concept of Environmental Consciousness.

We will actively expand the development of environmental consciousness efforts so we can continue supplying environmentally friendly products and contribute to the global environment.

Concept of Environmental Consciousness

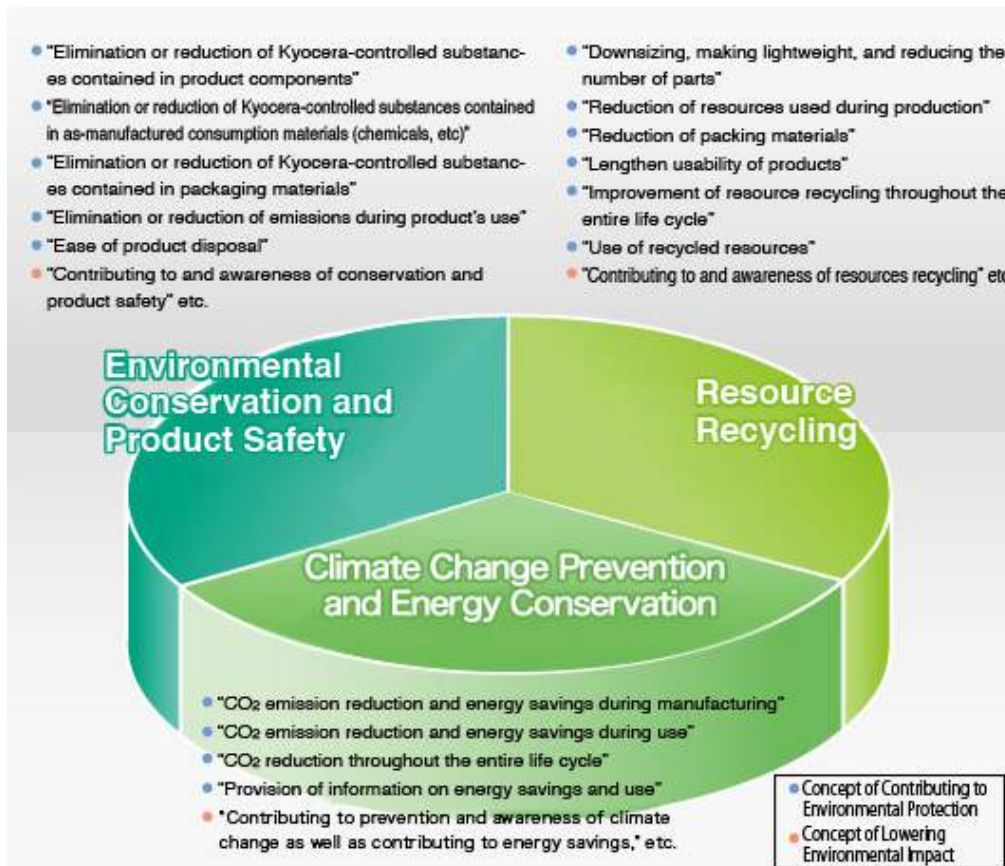
Kyocera considers the three themes of “Climate Change Prevention and Energy Conservation,” “Resource Recycling” and “Environmental Preservation and Safety” as high-priority issues. For each of these, we have established clear guidelines for environmental protection at the product development stage.

■ Concept of Contributing to Environmental Protection

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

■ 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.



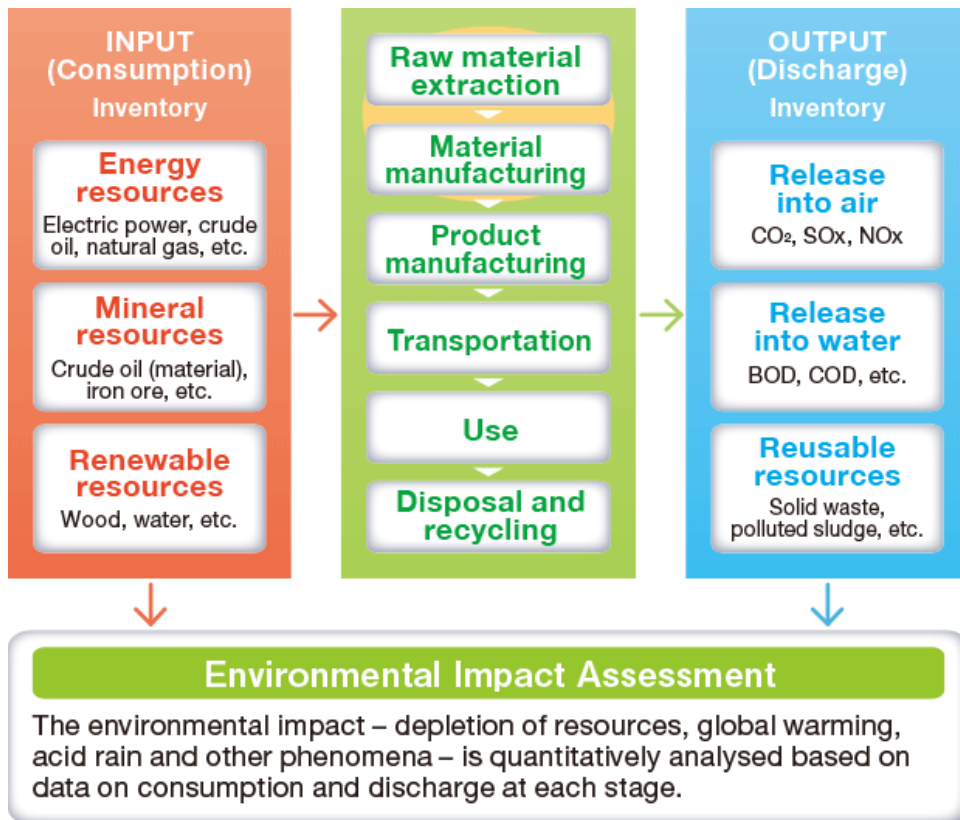
Concept of Environmental Consciousness

Environmentally Conscious Designs for Printers and Multifunctional Products (MFPs)

Kyocera Document Solutions Inc., which produces and sells printers and multifunctional products (MFPs), conducts environmentally conscious activities in various aspects including longevity design that reduces part replacement or disposal; 3R design that focuses on “reduce,” reuse,” and “recycling;” and low consumption power design that reduces greenhouse effect gas emission.

In the design stage, designs are developed based on the Environmentally Conscious Design Standard from the initial development stage of new products through each of the subsequent development steps. The Environmentally Conscious Design Check Sheet is then used to make sure designs are environmentally conscious during product development.

Kyocera Document Solutions Inc. also conducts a life cycle assessment (LCA), which digitalizes the resources, energy, and waste used or discharged for products or services during the stages from the acquisition of resources to manufacturing, transport, use, and disposal/recycling for all products to reduce the environmental burden of our products.



Life Cycle Assessments

Compliance with Environmental Product Standards

Kyocera Document Solutions Inc. is committed to producing environmentally conscious products and actively acquiring Environmental Labels.

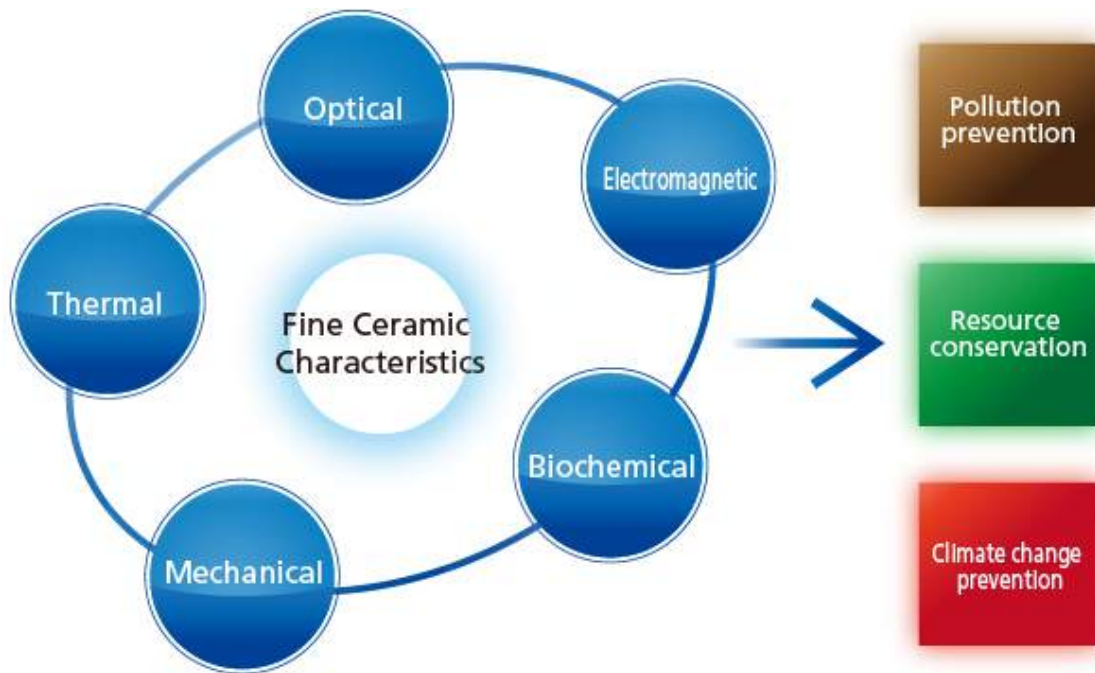
The Environmental Label contains three types as specified by the International Organization for Standardization (ISO), or Type I (label for or with which a third party independently conducts product categorization and establishes the judgment criteria and certifies compliance); Type II (self-declaration type label for which a company independently established the criteria and holds that its products are made environmentally conscious); and Type III (label for which the environmental loads of a product from “resource acquisition” to “disposal” are calculated based on the life cycle assessment technique and are disclosed based on quantitative analysis).

Kyocera actively promotes acquisition of those certification programs. To be specific, when Kyocera manufactures products, we always attempt to create products that can satisfy the required criteria of major environmental labels (Type I), such as Eco Mark or Blue Angel Mark, as early as their development stage.

For Eco Leaf environmental label (Type III), we manufacture products that have less environmental loads and actively register and disclose environmental information of products.

Fine Ceramic Products

Fine ceramics are representative ecological materials. Because of their excellent mechanical, electromagnetic and thermal properties, fine ceramics are used frequently in machines and equipment for industrial use in such fields as environment, energy and automobiles. This contributes to the prevention of environmental pollution, conservation of resources and the prevention of climate change.

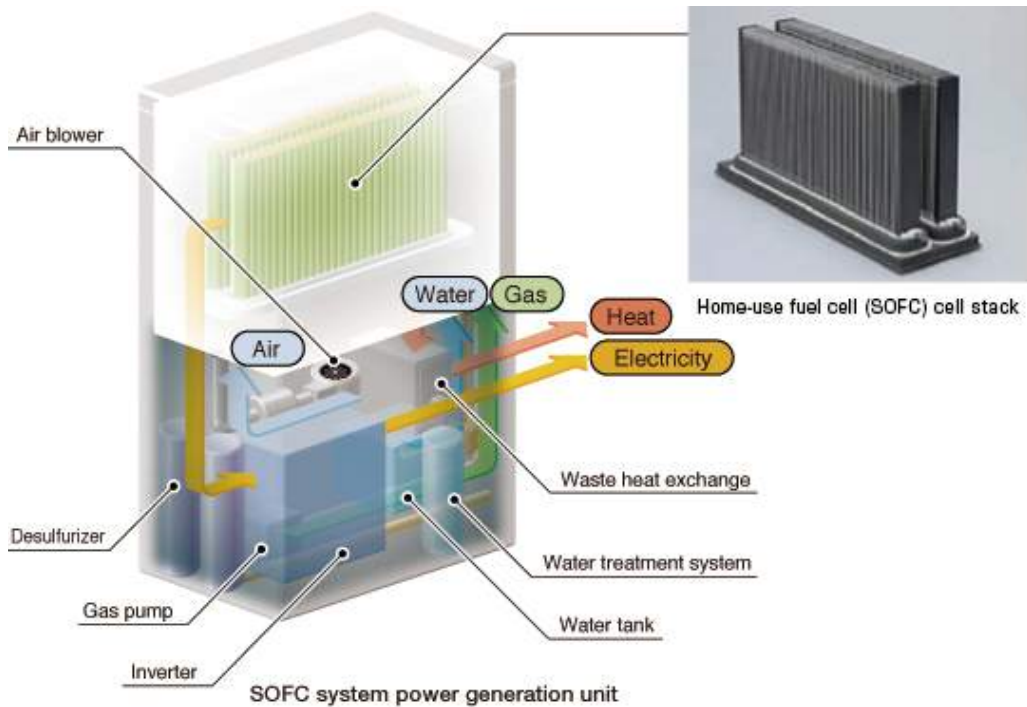


Home-Use Solid Oxide Fuel Cell (SOFC) Cell Stack

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.

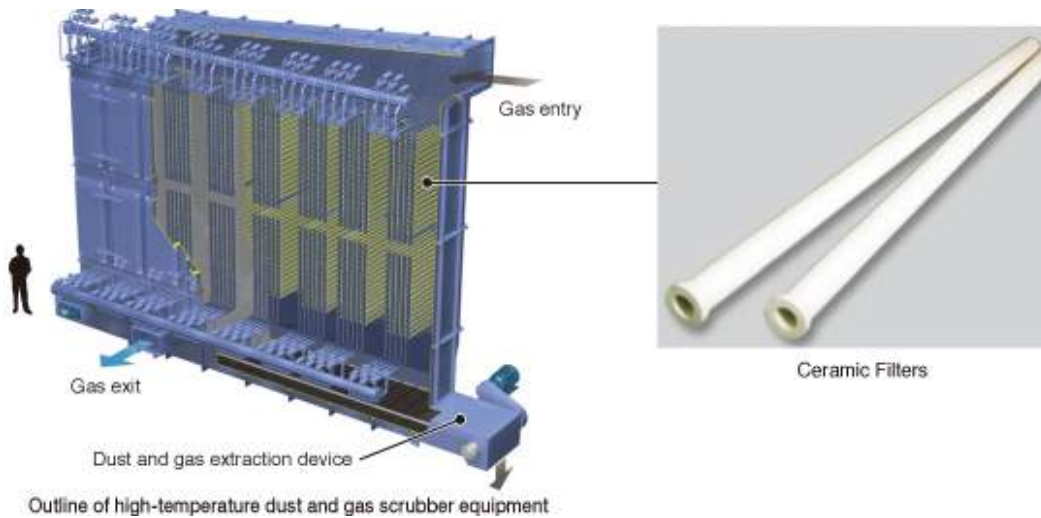
Kyocera realized the world's highest level power generation efficiency* by promoting the development of cells and cell stacks, which form the core of solid oxide fuel cells (SOFC) with high power generation efficiency, and using fine ceramics, which have excellent thermal resistance and durability, as cell materials.

* World's highest efficiency as a home-use fuel cell with a rated output of 1kW or under (as of Feb. 24, 2016)



Ceramic Filters

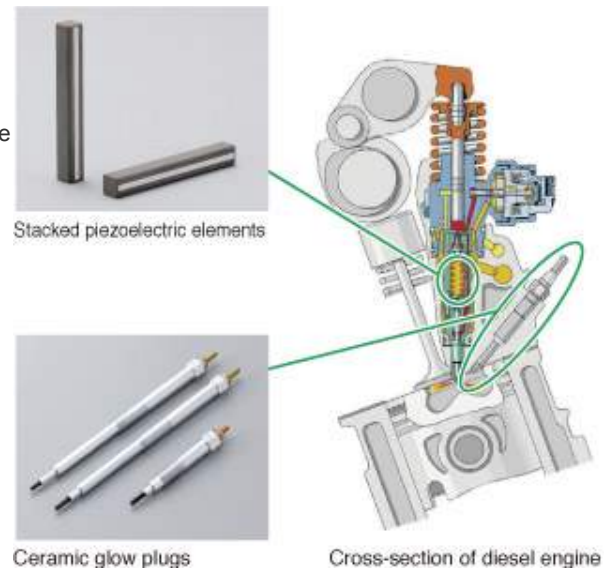
Excellent in thermal resistance, ceramic filters are used in emission gas treatment equipment such as those at large-scale waste incineration plants which optimize efficient use of exhaust heat energy. Compared with the service temperature range (150 to 200°C) of conventional bag filters, ceramic filters are capable of collecting dust at higher temperature ranges (300 to 900°C) to realize improved energy efficiency during the use of waste heat and the reuse of filters by washing.



Ceramic Glow Plugs and Stacked Piezoelectric Elements

Ceramic glow plugs help reduce production of hazardous substances in exhaust gas as they support start-up of diesel engines.

Piezoelectric stacks for fuel injectors use piezoelectric ceramics and help optimize combustion by precise control of the high-pressure injection of fuels and the volume of injection as components of fuel injectors.



Aluminum Foundry 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.

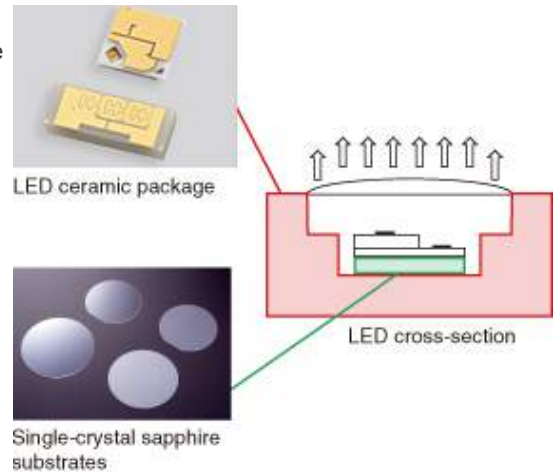


Aluminum foundry components

LED Ceramic Packages and Single-Crystal Sapphire Substrates

Since ceramic materials are capable of efficiently diffusing the heat generated by LEDs, they can maintain high longevity and reliability without compromising LED luminescence efficiency. Such features led to the realization of very bright LEDs.

Single-crystal sapphires are used as the base substrates of LEDs and the backlights of mobile phones and LCD TV sets.



Solar Power Generating Systems

The first oil crisis (1973) made Kyocera aware of the necessity of solar power generation technology as a future energy source and was the impetus for us to start R&D of solar cells in 1975. In 1982, Kyocera successfully mass-produced multicrystalline silicon solar cells, which are now the mainstream, ahead of any other competitor in the world and started sales of residential-use solar power generating systems in Japan in 1993 for the first time in this country.

Today, we promote expanded use of solar power energy as a provider of residential-and industrial-use solar power generating system in and out of Japan and a power producer engaged in operation of industrial-scale solar power plants.



Residential-use solar power generation system
RoofleX

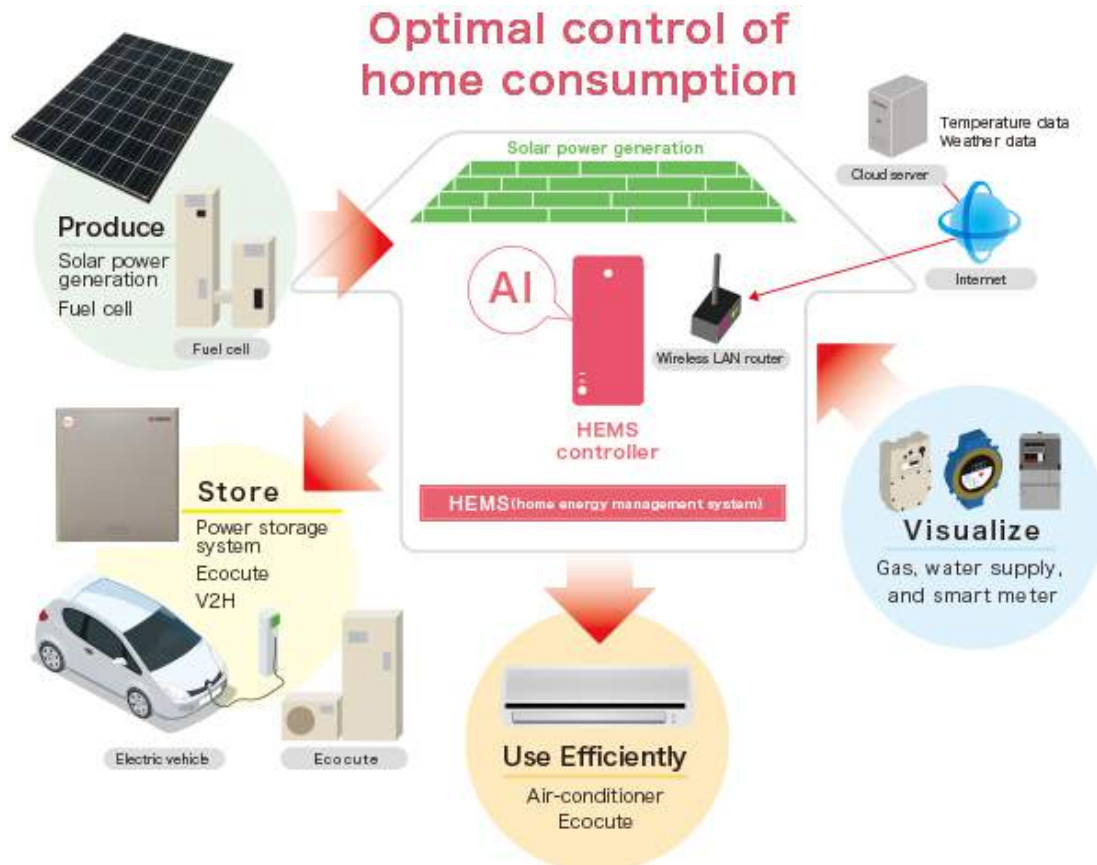


Kagoshima Nanatsujima Mega Solar Power Plant
(approx. 70MW), Kagoshima Prefecture, Japan

Energy Management System

Energy management visualizes energy consumption from electricity or gas and realizes efficient use of energy. Kyocera supports power saving and ecological lifestyles by realizing storage of electricity generated by solar power generation and optimized use of power. Kyocera aims self-sufficiency in terms of electricity by utilizing management systems that make effective and wasteless use of power. In addition, we are actively involved in demonstration projects of automated demand response (ADR) that adjusts the power supply and demand balance in an entire area or community to ensure stable use of power.

Kyocera contributes to a future energy environment that can prevent climate change, a major concern for all humankind, by realizing a management system capable of maximum use of renewable energy.



Home energy management system

Printing Devices

Amorphous silicon (a-Si) photoreceptor drum

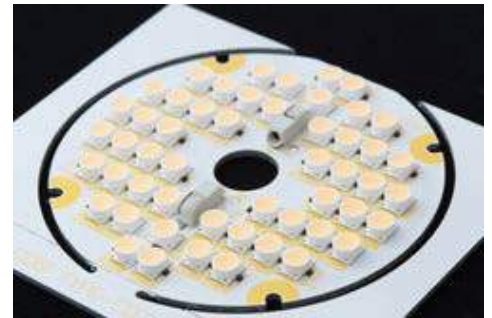
Used in core parts of laser printers and multifunctional products, high-durability amorphous silicon (a-Si) photoreceptor drums contribute to elongation of the service life of the equipment, reduction of maintenance costs, and reduction of waste materials.



High-durability a-Si photoreceptor drum

LED Lighting

Kyocera supplies high-color rendering index (CRI) LED modules that reproduce light very similar to sunlight. Application of ceramics to the package realizes a life expectancy of 100,000 hours, about twice that of a resin package, thereby helping reduce waste. We also provide high-efficiency LED lights for various uses, including office lighting, high ceiling lighting in factories and warehouses, and illumination of signboards and plazas. We contribute to reduction of power consumption by promoting these products.



High-color rendering index (CRI) LED module



High-efficiency LED light

Cutting Tools

Milling Cutter

Milling cutters are used in a variety of metal cutting processes. Featuring both reductions in cutting resistance and excellence in loss resistance, milling cutters contribute to the improvement of productivity through stable processing and elongation of service life.



Milling cutter

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.



Organic Material

Silver Sintering Paste

We are recently seeing reinforcement of lead control regulations. One such move is regulation of high melting point lead, which had been excluded from the EU's ELV Directive*.

Kyocera used low-temperature sintering performance of silver nano particles and developed a new connecting material, silver sintering paste, as a replacement of lead solder. The new paste will contribute to reduction of environmental impacts by chemical substances as it is being applied to vehicular LED headlights and inverters.

* Directive aiming to reduce environmental loads by reducing automobile wastes.



Silver sintering paste

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 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 (Halogen-free)

Low-VOC Materials

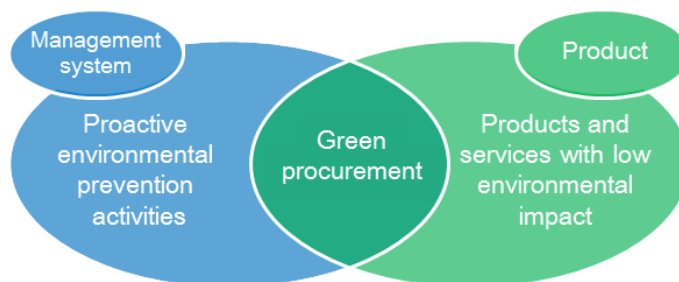
VOC (volatile organic compounds) is the generic name for organic compounds which are highly volatile and turn into vapor in the atmosphere, including toluene, styrene, and many other substances. VOC is considered to be one of the causes of suspended particle matters and photochemical oxidant, which are suspected to affect human health. In the insulation varnish field, where varnish is used for insulation of motors, Kyocera 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

Promotion of Green Procurement

Since we consider it important to take action in the entire supply chain including business partners in addition to ourselves to cope with worsening global environment problems, we established, in FY1999, the Kyocera Guideline on Environmentally Hazardous Substances, which specifies criteria for product specifications in promoting green procurement, and the Kyocera Guideline on Environmental Protection Activities, which describes the guideline for environmental protection activities considered important for Kyocera. These actions are designed to reinforce cooperation and coordination with our business partners.



Product Response to Environmental Regulation

In order to curb the harmful impact on human health and the prevention of environmental pollution, management of chemical substances or restrictions on their use are being reinforced through regulations in various countries in the world, with major examples including the RoHS Directive*¹ or REACH regulations*². This trend suggests greater demand for the production of products more friendly to the earth's environment. Europe's RoHS Directive plans to add four phthalates to the list of restricted substances, which currently contain six substances including lead, mercury, cadmium and hexavalent chromium, in July 2019. In response, the Kyocera Group regularly holds Product Environmental Quality Meetings to formulate company-wide response policies and share information on environmental laws and regulations within the entire group. For four phthalate compounds, Kyocera conducted a use status survey to purchasers and has already taken appropriate action as required, including shifting to alternative substances through the supply chain.

*¹ Restrictions on the use of specified substances contained in electric and electronic equipment

*² Regulations on the registration, assessment, permission and control of chemical substances

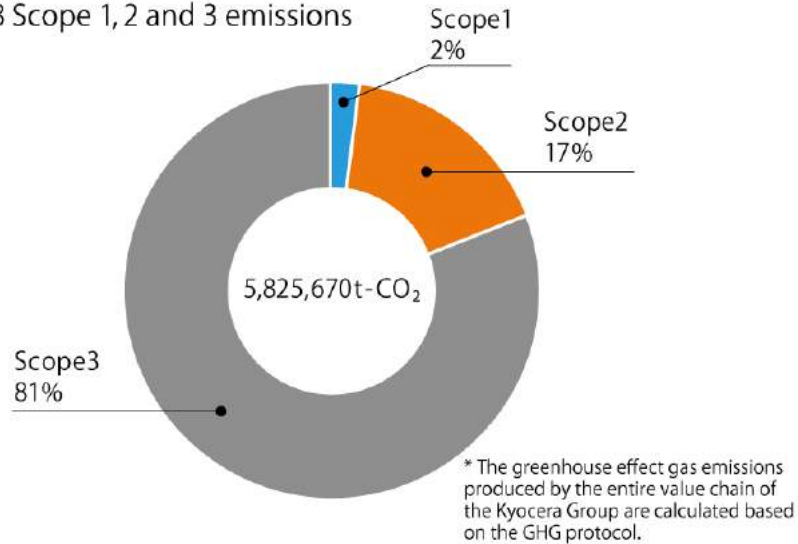
Green Factories

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 the earth's finite energy resources more effectively, including for energy use in industrial activities.

The Kyocera Group works on measures for the prevention of climate change in various ways, including the setting of targets for greenhouse gases and energy reduction, and the implementation of energy-saving measures in business activities.

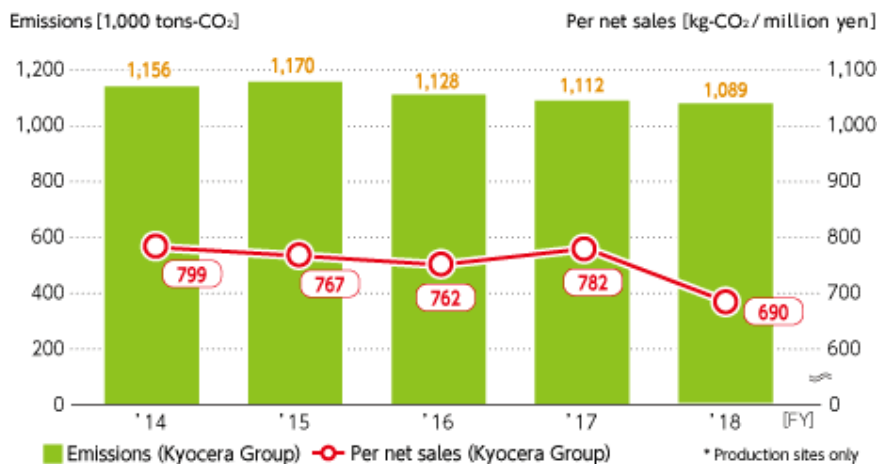
FY2018 Scope 1, 2 and 3 emissions



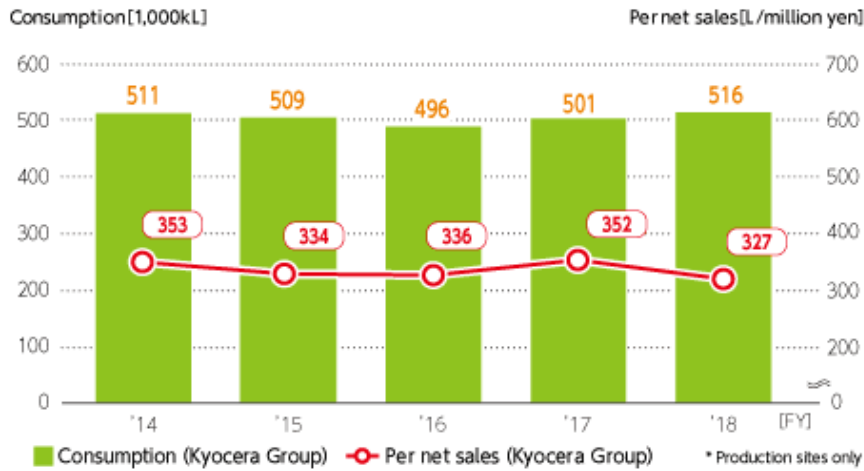
Energy Saving and Reduction of Greenhouse Gas Emissions

In FY2018, Kyocera took various energy-saving measures, including introduction of high-efficiency freezers and inverter-controlled air compressors, to reduce the CO₂ emission coefficient of electric power companies. Although sales increased, we successfully reduced greenhouse gas emission and greatly improved the emissions unit value per net sales.

Greenhouse Gas Emissions



Total Amount of Energy

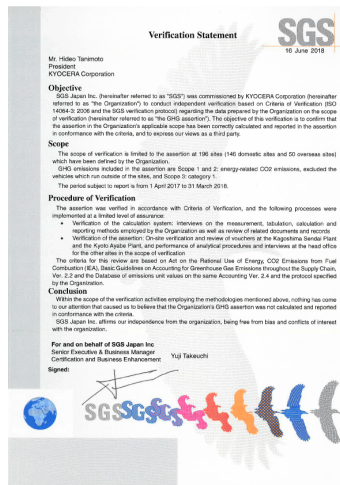


- Emission coefficients are calculated based on the Act on Promotion of Global Warming Countermeasures.
- Greenhouse gas means CO₂, CH₄, N₂O, PFC, HFC, and SF₆.
- Figures for overseas facilities are calculated using the emission coefficients of electricity for each country in IEA CO₂ EMISSIONS FROM FUEL COMBUSTION Highlights (2015 Edition).

Third Party Verification of Greenhouse Gas (GHG) Emissions

Greenhouse gas (GHG) emissions were verified by a third party contractor, SGS Japan Inc., to improve data reliability. Their verification confirmed that Kyocera correctly totaled, calculated and disclosed data on Scopes 1, 2 and 3*.

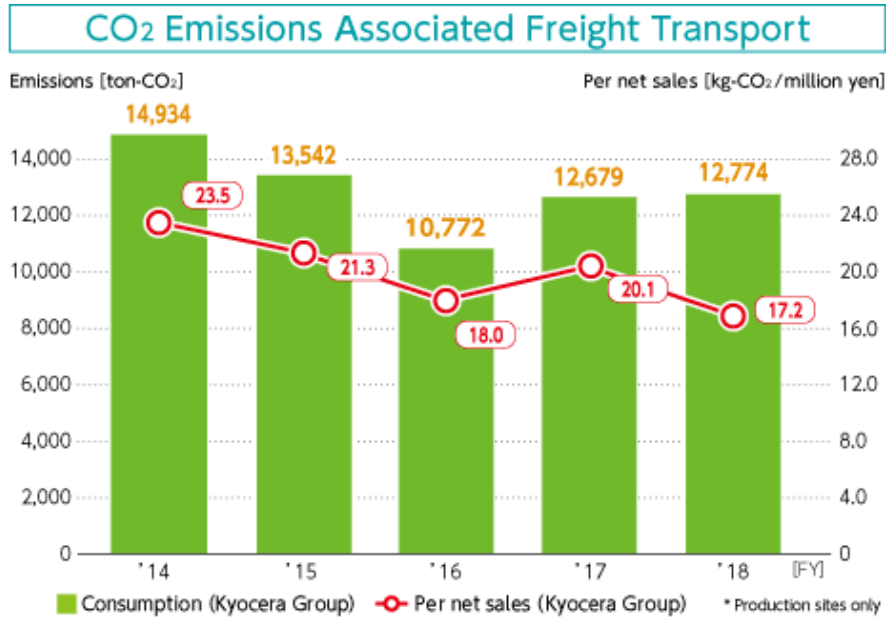
- * Scope 1: Direct emission associated with fuel consumption
- Scope 2: Indirect emission associated with consumption of power or heat purchased from outside
- Scope 3: Indirect emission other than Scope 1 or 2 (including procurement, transport, use, disposal, etc. of raw materials and commuting and business trip of employees)



Verification Opinion

Efforts to Reduce CO₂ Emissions Associated with Freight Transport

Our efforts continued in FY2018 to reduce CO₂ emissions resulting from cargo transport by promoting modal shift. Although the total emissions increased from FY2017, the emissions unit value per net sales reduced because of revision of transport sites and other measures.



Example Approach

Introduction of Recyclable Energy (Solar Power Generating System)

The Kyocera Group installed solar power generating systems, which use light, one type recyclable energy, at major sites inside and outside Japan, including the global headquarters in Kyoto, Kyocera International Inc. in North America, in addition to other ongoing energy-saving activities.

In FY2018, the solar power generating system was expanded at the Kyoto Ayabe Plant. All those solar power generating systems including those inside and outside Japan, currently have the output capacity of about 12 MW of power (about 12,000 MWh/year in power output). We continue to introduce solar power generating systems at major sites of the Kyocera Group to promote the reduction of CO₂ emissions.

Japan



■ Hokkaido Kitami Plant (615kW)
(first introduced in FY2011
and expanded in FY2017)



■ Fukushima Koriyama Plant (1,500kW)
(introduced in FY2014)



■ Nagano Okaya Plant (173kW)
(introduced in FY2011 and expanded in
FY2014)



■ Shiga Gamo Plant (571kW)
(introduced in FY2011 and expanded in
FY2013 and FY2015)



■ Shiga Yohkaichi Plant (1,549kW)
(introduced in FY2006 and expanded in
FY2011 to FY2014 and FY2016)



■ Shiga Yasu Plant (890kW)
(introduced in FY2011 and expanded in
FY2014 and FY2016)



■ Kyoto Ayabe Plant (1,950 kW)
(first introduced in FY2014 and expanded in
FY2016, FY2017 and FY2018)



■ Kagoshima Sendai Plant (949kW)
(introduced in FY2011 and expanded
in FY2014 and FY2017)



■ Kagoshima Kokubu Plant (1,100kW)
(introduced in FY2006 and expanded in FY2014)



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



■ Headquarters (214kW)
(introduced in FY1999)



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



■ Yokohama Nakayama Office (130kW)
(introduced in FY2012)



■ Chiba Sakura Office (493kW)
(introduced in FY1985 and expanded in
FY2014)



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



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



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



■ Former Chiba Plant site (688 kW)
(introduced in FY2015)

Overseas



■ Kyocera International, Inc. (U.S.A.)
(279kW)
(introduced in FY2006)



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



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



■ Kyocera Document Solutions Belgium N.V.
(Belgium) (9kW)
(introduced in FY2010)



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



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



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

Cultivating "Green Curtains"

The Kyocera Group started the "Green Curtain" campaign in 2007, which aims to cultivate climbing plants such as goya or morning glory around, over, or on parts of windows and external walls of buildings to block strong summer sunlight and thus reduce air-conditioning loads as part of our summer energy-saving activities.

Since Green Curtains are an ecological activity that we can conduct by hand, we distribute seedlings to local residents and employees to help spread the activity. Harvested goya are provided in our company cafeteria or distributed at summer festivals held by Kyocera.



Green Curtain of morning glory
(Nagano Okaya Plant)



Green Curtain seen from indoors
(Shiga Gamo Plant)

Energy Consumption Reduction by Introduction of High-efficiency Freezers

Adsorption freezers fueled by city gas are operated to supply cold water for air-conditioning at the Niigata Shibata Plant. Introduction of high-efficiency turbo freezers reduced gas consumption and CO₂ emissions.

[Annual CO₂ emission reduction]
2,347 tons-CO₂



High-efficiency turbo freezer

Energy Consumption Reduction by Introduction of Inverter-controlled Air Compressor

The Toyama Nyuzen Plant previously used compressed air in its manufacturing process, which consumed a large amount of electricity. After the Plant introduced inverter-controlled air compressors, which allows operation depending on the load, use of the new compressors successfully led to reduction in power consumption and CO₂ emission.

[Annual CO₂ emission reduction]
332 tons-CO₂



Inverter-controlled air compressor

Effective Use of Water Resources

Water is a precious natural resource. However, the importance of water resources, or water risk, is increasing in some parts of the world because of the ongoing impacts of climate change.

The Kyocera Group carefully manages the intake and release of water and conducts water risk assessments at our production sites using the Aqueduct Water Risk Atlas*. The water risk assessment found no sites with high risk, however, we set a emissions unit value per net sales target for water consumption for the entire Kyocera Group as part of our continued water resource protection measures.

* Water risk information released by WRI

Water Intake and Wastewater Volume, Amount of Recycled Water, and Water Recycling Ratio

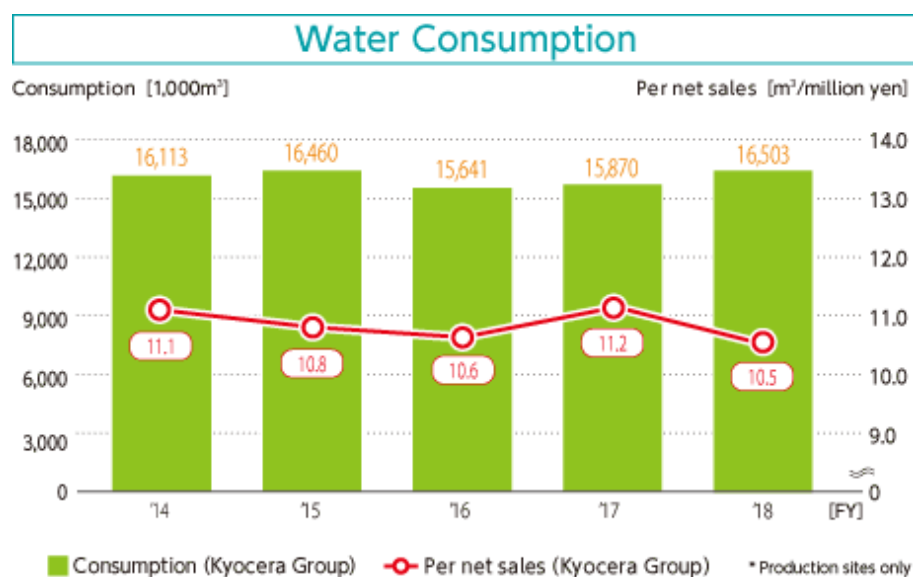
Water intake and wastewater volume			Unit (m ³)
Area	Item	FY2018	
Japan	Water intake	13,647,993	
	Wastewater	11,212,385	
Overseas	Water intake	2,983,556	
	Wastewater	2,238,373	
Total	Water intake	16,631,549	
	Wastewater	13,450,757	

Amount of recycled wastewater

Amount of recycled wastewater	3,033,482
Wastewater recycling ratio	15.4%

Efforts for Water Consumption Reduction

In FY2018, absolute emissions increased because of an increase in production volume. However, due to emission reduction efforts, including waste water recycling and water use reduction, the emissions unit value per net sales ultimately improved compared to FY2017.



Example Approach

Water Consumption Reduction by Revision of Production Processes and Effective Use of Wastewater Recycling Equipment

The Niigata Shibata Plant conducted a review of wastewater reuse (for cascade use) in plating equipment and the effect on water supply quantity. Effective use of the wastewater recycling equipment and an increase in the recycling water quantity successfully resulted in reduction in water consumption.

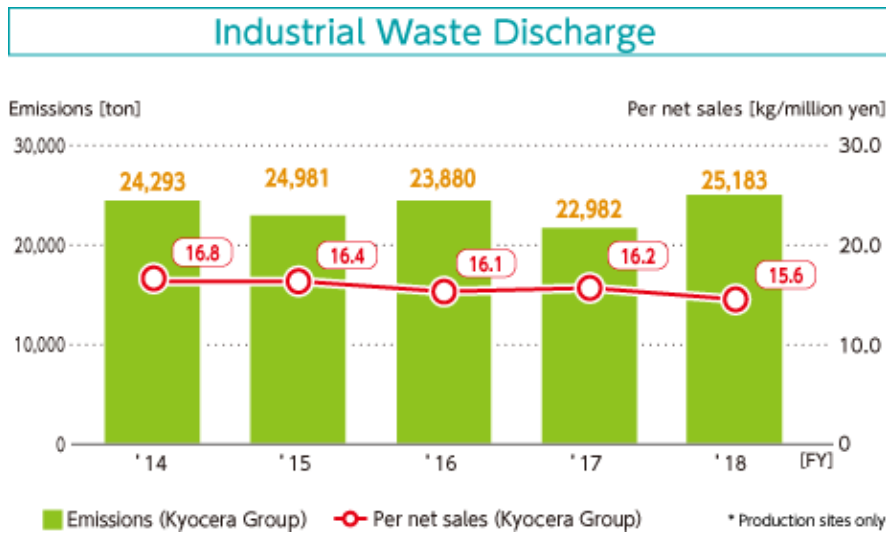
[Annual water consumption reduction]
78,600m³



Wastewater recycling equipment

Waste Reduction and Recycling Measures

In FY2018, absolute emissions increased because of an increase in production volume. However, due to emission reduction efforts, including internal treatment of liquid waste and recovery of valuable materials from liquid waste, the emissions unit value per net sales ultimately improved compared with FY2017.



Example Approach

Industrial Waste Reduction by Internal Treatment and Waste Separation

The Niigata Shibata Plant reduced industrial waste emission by taking various measures including complete separation of valuable waste generated from the production process through the compression packaging machine and promotion of internal treatment of industrial waste.

[Annual waste emission reduction]
285 tons



Compression packaging machine



Valuable plastic after compression

Chemical Substances Management

Some chemical substances cause environmental pollution and can affect human health and the ecosystem as a result of long-term accumulation. The Kyocera Group sets a voluntary control standard and takes initiative in carrying out environmental load reduction activities. In addition, the Kyocera Group (Japan) carries out thorough control of emissions and the transferred amount of Class I Designated Chemical Substances as prescribed by PRTR Law.

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.



PCB waste disposal (Kanagawa Kawasaki Office)

Environmental Loads Data at Major Production Sites

Area	Country	Company	Energy consumption ^{*1} [as converted to crude oil consumption in kt]		CO ₂ emission ^{*2} [t-CO ₂]		Water consumption [m ³]		Industrial waste emission [t]	
			FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018
Asia	Japan	Hokkaido Kitami Plant, KYOCERA Corporation	3,090	3,146	8,129	8,052	29,871	30,888	104	114
		Yamagata Higashine Plant, KYOCERA Corporation	7,932	7,625	18,281	17,135	199,951	228,373	335	195
		Fukushima Koriyama Plant, KYOCERA Corporation	1,599	1,789	3,739	4,074	11,257	14,182	450	573
		Tochigi Moka Office, KYOCERA Corporation	221	269	444	520	1,464	1,662	90	139
		Ibaraki Tsukuba Office, KYOCERA Corporation	4,254	3,468	4,779	6,742	196,006	318,336	150	129
		Saitama Tokigawa Office, KYOCERA Corporation	298	316	596	626	1,613	1,962	13	32
		Tokyo Ome Plant and Tokyo Chigase Office, KYOCERA Corporation	1,096	1,241	2,208	2,477	15,445	19,548	86	123
		Kawasaki Plant, KYOCERA Corporation	1,500	1,380	2,957	2,721	19,978	19,559	324	295
		Kanagawa Hadano Plant, KYOCERA Corporation	5,151	4,546	6,123	9,039	91,874	141,386	96	149
		Niigata Shibata Plant, KYOCERA Corporation	17,898	15,799	39,805	34,531	1,500,594	1,235,296	2,996	2,504
		Toyama Nyuzen Plant, KYOCERA Corporation	13,566	15,456	35,358	39,285	1,615,236	1,642,184	316	330
		Nagano Okaya Plant, KYOCERA Corporation	9,839	9,380	19,703	18,372	79,921	71,902	58	62
		Shiga Gamo Plant, KYOCERA Corporation	15,429	15,843	32,414	32,118	809,950	807,083	481	579
		Shiga Yohkaichi Plant, KYOCERA Corporation	49,069	47,855	105,578	99,019	986,740	957,313	1,471	1,394
		Shiga Yasu Plant, KYOCERA Corporation	42,645	42,366	92,726	89,246	1,593,401	1,531,478	1,978	2,446
		Kyoto Fushimi Office, KYOCERA Corporation	204	221	432	448	1,447	1,638	6	9
		Kyoto Ayabe Plant, KYOCERA Corporation	25,069	26,436	53,390	53,953	2,030,801	2,339,953	2,807	3,253
		Osaka Daito Office, KYOCERA Corporation	1,014	898	2,086	1,777	18,773	17,471	95	76
		Kagoshima Sendai Plant, KYOCERA Corporation	52,754	54,996	122,897	113,929	1,598,464	1,668,183	1,952	1,617
		Kagoshima Kokubu Plant, KYOCERA Corporation	67,930	72,071	154,785	146,074	1,809,937	1,943,033	1,262	1,499
	Kagoshima Hayato Plant, KYOCERA Corporation	6,010	6,779	13,992	13,808	242,152	281,191	481	608	
	Hirakata Plant, KYOCERA Document Solutions Inc.	3,650	3,973	7,520	7,861	31,699	32,389	48	58	
	Tamaki Plant, KYOCERA Document Solutions Inc.	7,627	8,467	14,739	15,975	38,373	73,567	312	475	
	China	Shanghai KYOCERA Electronics Co., Ltd.	10,087	10,510	32,312	33,512	237,577	218,556	415	234
		Dongguan Shilong KYOCERA Co., Ltd.	7,582	7,821	24,181	24,981	269,945	272,031	2,903 ^{*3}	349
		KYOCERA OPTEC (Dongguan) Co., Ltd.	2,565	2,833	8,217	9,076	73,897	74,056		77
		KYOCERA Document Technology Company (Dongguan) Limited	8,100	7,881	25,331	16,496	360,190	375,100	523	408
KYOCERA Connector Products (Dongguan) Co. Ltd.		3,822	4,136	11,993	13,077	53,209	47,144	56	77	
KYOCERA (Tianjin) Solar Energy Co., Ltd.		3,999	4,961	12,810	15,871	57,045	49,026	13	11	
KYOCERA Display (Zhangjiagang) Co., Ltd.		3,403	3,942	10,902	12,608	231,666	275,622	90	105	
Vietnam	KYOCERA Vietnam Company Limited.	4,159	5,649	6,263	9,024	220,294	271,220	719	1,021	
Thailand	KYOCERA Crystal Device (Thailand) Co., Ltd.	3,968	3,196	8,042	6,478	98,275	61,433	191	214	
North and South America	U.S.A.	KYOCERA International Inc. San Diego	5,054	8,228	9,803	9,985	129,564	125,022	66	47
	Mexico	KYOCERA Mexicana, S.A. de C.V.	4,224	2,449	8,491	4,924	62,065	67,557	269	89

*1

• Crude oil conversion factor is calculated based on the Act on the Rational Use of Energy.

*2

• The emission factor is calculated based on the Act on Promotion of Global Warming Countermeasures.

• Data is calculated based on the emission factor of electricity of each country as given in IEA CO₂ EMISSIONS FROM FUEL COMBUSTION Highlights(2015 Edition).

*3

• The total sum of the emissions of Dongguan Shilong KYOCERA Co., Ltd. and KYOCERA OPTEC (Dongguan) Co., Ltd.

Green Communication

Support of Environmental Education for Children

Kyocera Group “Eco-Lessons”

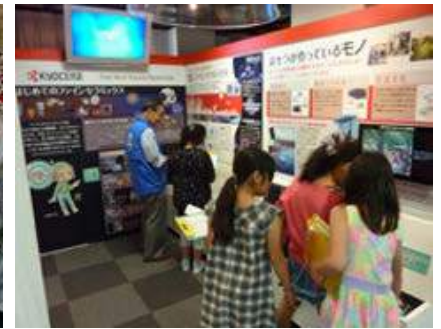
The Kyocera Group has conducted “Eco-Lessons,” a locally rooted social contribution activity, since FY2003, to help children, the next-generation of leaders, better understand environmental problems and energy, and receive an environmentally friendly education at school. Kyocera started Eco-Lessons in China as well in FY2010 based on knowhow accumulated in Japan. In FY2018, Kyocera delivered Eco-Lessons to 76 elementary schools, or 4,885 students, mainly in the areas in Japan where 16 Kyocera Group sites are located (9 prefectures). Eco-Lessons were also held for 94 students in elementary schools in Shanghai, China. A total of 124,824 students inside and outside Japan have participated in our Eco-Lessons since FY2003.



Lesson where students learn the mechanism of solar cells (Japan)

Cooperating Exhibition at the Kyoto Manufacturing Hall

Kyocera holds fine ceramics crafts lesson at the Kyoto Manufacturing Hall of Fame, a company exhibition hall for elementary and junior high school students that opened a hands-on learning facility in Kyoto in 2010. The lesson teaches the nature of fine ceramics and the mechanism of solar power generation. In addition, Kyocera exhibits items related to manufacturing. Children visit this facility as part of their extracurricular activity. The purpose of the Hall of Fame is to help the children deepen their understanding of society and work as they can see first hand the hard work and passion for products, technology, and the art of manufacturing.



Elementary school students visiting the exhibition booth of Kyocera

Special Science Class to Teach the Mechanism of Electricity or Copying

The Osaka Board of Education holds “Special Science Lessons” jointly with corporations in hopes of letting children learn the joy of science through hands-on lessons and enhance their interest in and willingness to learn science. Kyocera Document Solutions Inc. started participation in this joint educational program in 2009. Over 5,000 elementary school students in a total of 66 schools have taken these Science Lessons. Children feel the joy of experiments of hand-copying pictures drawn by themselves. They are able to operate copying machines and learn how electricity is applied to products in our daily lives.



Children learning the mechanism of copying through an experiment



Students learning the history of the copying machine in class

Cooperating with Environmental Awareness Event

Since 1996, Kyocera Mexicana, S.A. de C.V. has participated in an annual environmental education event organized by the Tijuana municipal government for local middle and high school students from Tijuana, where Kyocera operates a manufacturing plant, and its neighboring areas. Attracting roughly 20,000 participants, the event enlightens students about the importance of environmental protection as they learn about local environmental initiatives undertaken by companies and the government in an enjoyable way.



Students learning at the Kyocera booth

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.

Promoting Kyocera Forestation Activities

The Kyocera Group conducts activities to help factory compounds or local forests regain rich verdure to take action for environmental issues such as prevention of climate change or preservation of biodiversity, contribute to local society, and enhance employees' environmental awareness. These activities mainly include thinning and undergrowth cutting together with local residents.



Thinning work



Kyocera employees participate in a forestation event

■ Records of Activity

	Place of activity	Start of activity
Okaya City, Nagano Prefecture	Minatozaisan area (about 80,000m ²)	October 2011
Higashi-Omi City, Shiga Prefecture	Forest owned by the Shiga Gamo Plant (about 20,000m ²)	June 2008
Kyotanabe City, Kyoto Prefecture	Mt. Kannabi (about 880,000m ²)	November 2012
Satsuma Sendai City, Kagoshima Prefecture	Forest owned by the Kagoshima Sendai Plant (about 3,000m ²)	April 2011

Development of Biotope (nurturing of fireflies)

The Kagoshima Kokubu Plant started a biotope in November 2009 to maintain the local ecosystem inside the compound. The Plant also raises fireflies in this biotope. With the help of local firefly specialists, the Plant staff improves the natural environment around a pond in the plant compound to create an environment easier for fireflies to live. Thanks to their effort, adult fireflies fly around the plant compound every year. Plant employees are encouraged to be more conscious of environmental protection through this activity.



A firefly in the plant' compound

Main Feedback on Sustainable Management

Environment Minister's Award for Global Warming Prevention Activity Presented to Kyocera for 8 Consecutive Years

Kyocera has been awarded the Minister of the Environment's Award for Global Warming Prevention Activity consecutively for the eight years since our high output solar power module first received the prize in 2010. In 2017, our Hokkaido Kitami Plant received the Environment Minister's Award for Global Warming Prevention Activity (Implementation of Countermeasures /Dissemination Category) for their community-based environmental preservation efforts including energy creation and CO₂ emission reduction by effective use of solar power generating systems, reduction of power consumption by introduction of high-efficiency equipment and effective use of waste heat. Kyocera was also commended for the provision of eco-lessons to local elementary school students in Hokkaido.



High-efficiency modular chillers

Other Awards Received Related to the Environment (FY2018)

Date	Award	Recipient/Product
April 2017	Sustainable Brand of the Year, German CSR Award	KYOCERA Document Solutions Deutschland GmbH (Germany)
April 2017	Recycler of the Year	KYOCERA International, Inc. (U.S.A.)
June 2017	Excelencia Ambiental	KYOCERA Mexicana.S.A. de C.V. (Mexico)
November 2017	Grand Prize, Green Curtain Contest, Hirakata City	Hirakata Plant, Kyocera Document Solutions Inc.
November 2017	Environment Grand Prize and Special Environment Prize, Japan Cutting & Wear-resistant Tool Association	Shiga Yohkaichi Plant and Nagano Okaya Plant
November 2017	Certification and Commendation of Waste Reduction and 3R Activity Excellent Facility, Yokohama city	Yokohama Office
November 2017	Environment Minister's Award for Global Warming Prevention Activity (Implementation of Countermeasures/Dissemination Category)	Hokkaido Kitami Plant
January 2018	Excellent Facility of Global Warming Countermeasures and Emission Reduction, Kyoto	Headquarters

Risk Management and Compliance

Risk Management Promotion

The Kyocera Group is making group-wide efforts to reinforce its risk management system to cope with global risks that are becoming ever more complicated. The Kyocera Group faces various risks that may affect the credibility or business sustainability of the Kyocera Group, including changes in the market environment, occurrence of natural disasters, incidents and accidents, the impact of climate change, information leakage, deficiencies of labor conditions in the supply chain, and violation of human rights. To cope with these, the Kyocera Group endeavors to reduce and mitigate risks while acting on the Basic Policy on Risk Management put in place for this purpose.

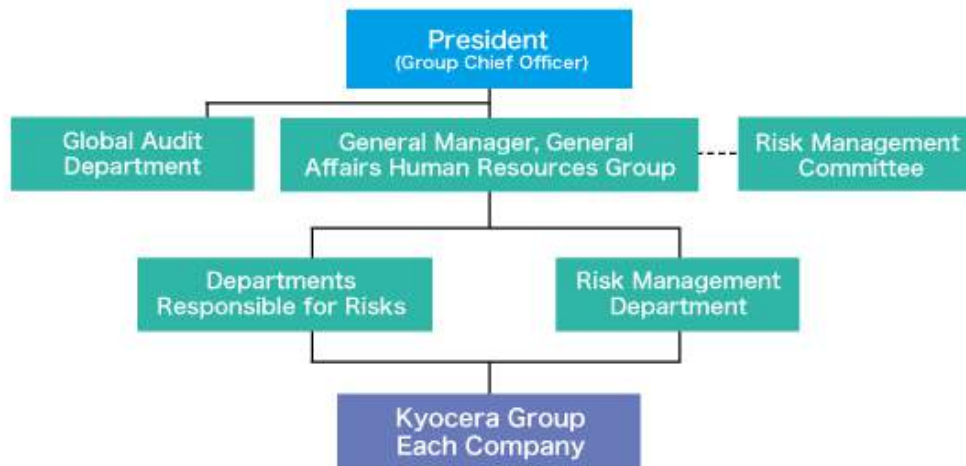
■ Basic Policy on Risk Management

1. In accordance with assurance of compliance and the spirit of the Kyocera Philosophy, the Kyocera Group will consider what is the right conduct as a human being and act based on this value standards.
2. In accordance with the spirit of the Kyocera Philosophy, the Kyocera Group will accept that “the highest priority is to ensure physical safety and human life,” deal with crisis, and for the convergence of crises, cooperate among employees as a unit to minimize loss, recover damage, and make efforts to prevent reoccurrences, thereby attempting to remove or mitigate impediments to the interests of each stakeholder, including customers, business partners, shareholders/investors, and the community.
3. The Kyocera Group will attempt to continuously develop its business through implementing risk management.
4. The Kyocera Group will act with its social mission to stably supply products and services helpful to the progress and development of society.

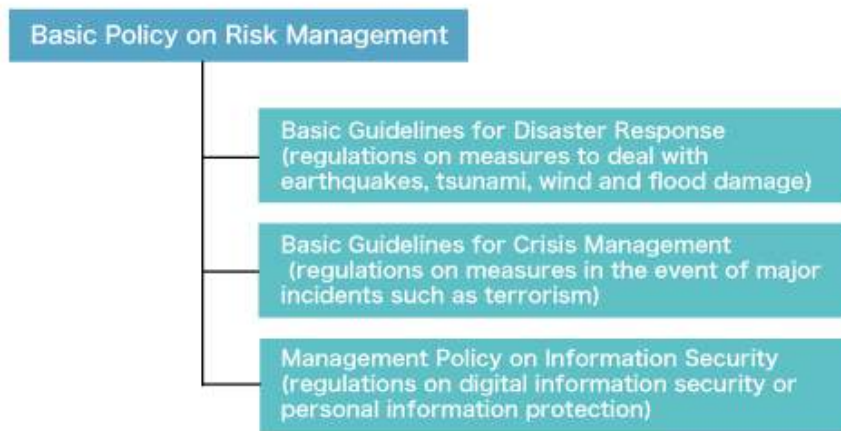
Risk Management System

The Kyocera Group conducts risk management, with the President as the group chief officer and the General Manager of Corporate General Affairs Human Resources Group as his assistant to supervise the risk management divisions. The Risk Management Committee conducts risk assessment of each department and each site in and out of Japan and formulates, examines, and approves response measures and monitors their progress with respect to risks considered to be particularly high in importance.

In FY2018, the Kyocera Group assigned risk management personnel at each department and domestic site, provided education on major risks such as natural disasters, terrorist responses, and information security and reinforced risk management.



Kyocera Group's Risk Management System



Systematic diagram of risk management

Promotion of Contingency Planning

The Kyocera Group has a Disaster Response Manual established based on the Basic Guidelines for Disaster Response to take appropriate actions in the event that a large-scale natural disaster causes damage to the Kyocera Group, including minimization of personal and physical damage and implementation of swift restoration of business operations. The Disaster Response Manual is established and specifies regulations on collection and distribution of information on disasters and response measures for earthquakes, tsunami, wind, and flood damage.



Basic Policy of Disaster Response

Actions to Deal with Earthquakes

In an attempt to minimize injury and damage from a major earthquake, the Kyocera Group (Japan) is installing a disaster warning system at all plants and offices using the Earthquake Early Warning System provided by the Japan Meteorological Agency. The Kyocera Group endeavors to minimize earthquake damage through diverse means, including drills utilizing the Earthquake Early Warning System, disaster prevention training for employees, and regular disaster drills held with local fire stations and other organizations.

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 sites 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 in the event of a tsunami.

Example Approach

■ Holding of General Drill for Large-Scale Earthquakes

The Kyocera Group regularly holds a general drill simulating a building fire following the occurrence of a major earthquake. Drills were held at various sites in FY2018, as in the previous year, in cooperation with the local fire-fighting administration supposing the collapse of equipment, the breakout of a fire, and an elevator malfunction following a major earthquake. Kyocera continues to hold regular drills for unforeseen situations to improve our disaster preparedness.



Evacuation drill supposing a large-scale earthquake
(Kagoshima Kokubu Plant)



Fire-fighting drill using fire extinguishers
(Nagano Okaya Plant)

Business Continuity Plan (BCP) Efforts

The Kyocera Group (Japan) formulated BCP against occurrence of a major earthquake and has taken necessary measures including fixation of important equipment, dispatch of repair components, and acquisition of alternative production means. In FY2018, we reexamined the entire flow of emergency action starting from initial response to business restoration with the sample response case of the Kumamoto Earthquakes used as reference. We endeavor to maintain our BCP in an adequate condition by evaluating its activities based on the international standard or industrial standard. Also in FY2019, Kyocera continues the formulation of measures to cope with identified risks, implementation of regular drills, and sharing of information with relevant departments to improve our emergency preparedness. Our overseas Group companies expand and maintain BCP activities as appropriate for the disaster risk expected to occur in respective areas, such as natural disasters or epidemics.



Desktop drill assuming an earthquake disaster
(Kanagawa Hadano Plant)



Damage reporting drill assuming the case of disaster
(Tokyo Ome Plant)

■ BCP Efforts for the Supply Chain

The Kyocera Group promotes evaluation of alternative items and multiple purchasing sources with respect to the procurement of raw materials and components so as to prevent the stagnation of production activities during a disaster situation.

Kyocera has distributed the Supply Chain CSR Procurement Guideline to all business partners to help them understand our concept of BCP. For business partners who supply us with important raw materials and components, we are carrying out a survey on the progress of their BCP efforts in more detail.

Promotion of Risk Crisis Management

The Kyocera Group has in place the Basic Guidelines for Crisis Management to promote risk management measures. Based on these Guidelines, we formulated the Risk Management Manual that stipulates actions to take to ensure the safety of employees working at overseas sites in the event of a terrorist attack and various other emergency situations.

Information Security Efforts

The Kyocera Group makes effective and efficient use of information assets. We have clarified the basic requirements that employees should comply with in the handling of information assets and established an information management system.

Policy and System of Information Security Management

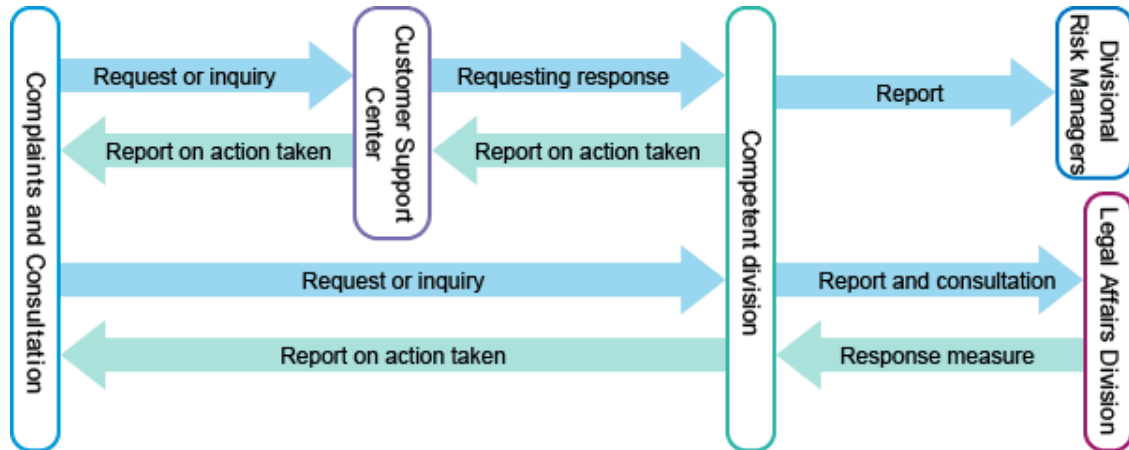
The Kyocera Group has in place the Information Security Management Policy for the entire Kyocera Group as we see management strategies, product development, expertise, technology, organization, personnel information and others as the company's important assets. Based on the Information Security Management Policy, we set up the Digital Information Security Management Regulations, Personal Information Protection Management Regulations, and Technological Know-how Leak Prevention Guideline for classified information management, intellectual property management, physical security management, visitor control, and human control, thereby ensuring thorough information security management.

The Kyocera Group established a Digital Information Security Committee with the President as its chairman and is implementing various digital security measures including periodic employee education by post or job, restrictions on the external use of information equipment, measures to prevent information asset leaks, thorough management of IT assets, enhancement of information security against cyber-attacks and internal audits.

Protection of Personal Information

The Kyocera Group regards the personal information obtained from stakeholders through business activities as important private information and strives to protect it thoroughly as a primary social responsibility.

Kyocera has set up rules on protection of specific personal information, clarified usage purposes of personal information, set up a dedicated contact for inquiries, and provided regular education to employees handling private information, thereby ensuring thorough management.



Communication system on personal information

Protection of Intellectual Property Rights

The basic policy of the Kyocera Group is to safeguard the outcome 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 property to main offices and manufacturing plants. Their role is to facilitate 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 relevant business units.

Kyocera also regularly holds the Global Intellectual Property Partners Meeting for patent offices and the personnel of Group companies in charge of intellectual property in the U.S.A., Europe, China, Korea, and Japan, which help us obtain patents in those countries. Participants in the meeting discuss improvement of patent application specifications, and response actions to patent acquisition using specific case examples so that Kyocera can improve the Guideline and the system of sharing information.



Global Intellectual Property Partners Meeting

Example Approach

■ Awarded the "Top 100 Global Innovators 2017"

Kyocera was awarded the Top 100 Global Innovators 2017 by Clarivate Analytics, an international information service company. The award, which ranks companies based on Clarivate Analytics' own unique analysis of proprietary patent data, is given annually to companies that lead the world in innovative activity. Kyocera was given high evaluation for its "success ratio of patents" and global performance and has been awarded the commendation consecutively for four years.

2017
**TOP 100
GLOBAL
INNOVATORS**

 **Clarivate
Analytics**



Trophy awarded to Kyocera

■ Measures for Dealing with Counterfeit Products

The Kyocera Group is implementing diverse measures in various countries around the world to protect customers from the harm caused by counterfeit products, and to enable product use with peace of mind. Kyocera monitors mail order web sites and distribution sites around the world looking for counterfeit products. Vendors selling counterfeit products are given warning or are reported to authorities and are asked to pledge they will no longer handle the products. They are requested to destroy stocks and reveal the names of their suppliers. Kyocera also uses hologram seals to distinguish between genuine and counterfeit products for some products, such as toner containers, making it easier to determine whether a product is authentic.



Counterfeit ceramic knife

Thorough Legal Compliance

The Kyocera Group ensures thorough compliance with the law by taking measures including management by each division in charge of a specific law or regulation, the establishment of an in-house communication system for notification of the enactment or revision of a law or regulation, the establishment of Employee Consultation Offices (internal reporting system), the implementation of regular legal compliance audits, and the provision of compliance education to employees upon new employment or promotion.

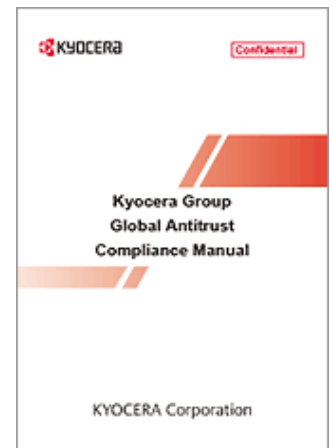
We also regularly hold the Kyocera Group Global Legal Affairs Meeting, in which legal affairs personnel of major Group companies in the U.S.A., Europe, and China participate in order to reinforce global cooperation. At each Meeting, participants learn about each others results, share information on legal issues currently being faced by each company, and engage in discussions regarding various legal issues affecting the Group.



Kyocera Group Global Legal Affairs Meeting

Measures for Fair and Free Competition

The Kyocera Group considers it important to maintain and promote fair and free competition while using these as a judgment criterion for the concept, "What is the right thing to do as a human being?" As part of its activities, the Kyocera Group Global Antitrust Compliance Manual, common to the entire Kyocera Group, was published, and education and training on the Antitrust Act and the Antitrust Act Compliance Regulations, which specifically stipulates the rules for employees to observe, were provided to employees both in and outside of Japan in FY2018. In FY2019, the second global Antitrust education was provided to all the Kyocera Group employee to improve understanding of the Antitrust Act. We ensure thorough compliance with the Antitrust Act and other related regulations by continuously providing relevant education and training to our employees.



Kyocera Group Global Antitrust Compliance Manual

Conducting legal audits

As a part of strengthening its compliance system, the Kyocera Group conducts legal audits to check its status. Kyocera established and manages the compliance system for each working process. In FY2018, establishment of a system of legal audit of operation processes was completed at each major domestic Group company. In FY2019, the operation process audit will be sequentially conducted at all domestic Group companies.

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.

Measures taken to ensure strict compliance with the Foreign Exchange and Foreign Trade Control Act and other export-related laws and regulations in Japan include sharing of relevant information among all the sites, with Kyocera as the main player, and implementation of audits to continuously maintain the security trade control system. Our Group companies outside Japan have in place a system that puts an emphasis on education and auditing on security trade control to reinforce control assuredness.

Example Approach

■ Measures to Ensure Security in International Distribution

Kyocera is recognized as an authorized exporter and authorized importer according to the AEO (Authorized Economic Operator) system, an international standard designed to ensure safety and smoothness of international trading and for which the mechanism of mutual approval is established in each country. This authorization helps us ensure security and smooth trading related to products delivered to customers outside Japan.

We will continue to improve maintenance of the security system for distribution.



Authorized exporter certificate



Authorized importer certificate

Appropriate Information Disclosure

The Kyocera Group complies with regulations relating to the disclosure of information. The Kyocera Group endeavors to provide appropriate information without falsehoods or expressions that invite misunderstanding, in accordance with social and 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 monitoring system for verification by the Quality Assurance, Legal, Intellectual Property and Corporate Communications divisions.

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 Group CSR Guidelines prohibit the excessive exchange of gifts, the provision and receipt of excessive entertainment, and other corrupt activities. The Guidelines also forbid activities that depart from customary business practice.

Ensuring Transparency in Political Donations

The Kyocera Group may provide political donations as required from perspectives such as the realization of policy-oriented politics and contributing to the sound growth of parliamentary democracy. When we make political donations, we will comply with relevant laws and regulations including the Political Funds Control Act as well as relevant bylaws.

Measures for Prevention of Insider Trading

The Kyocera Group has in place management systems to prevent insider trading and educates employees thoroughly on insider trading compliance. Kyocera has enacted the Insider Trading Prevention Regulations, which establish a management system for insider information and provide restrictions on stock trading. The company prepared an Insider Trading Prevention Handbook and distributed it to employees to enhance understanding of its importance. In addition, the company takes various continuing actions including provision of education on prevention of insider trading to newly hired or promoted employees and advising of no stock trading periods at morning meetings.

In FY2019, we intend to provide refresher courses to all employees of Kyocera.

Measures for Exclusion of Antisocial Groups

The Kyocera Group established a basic policy for corporate governance and internal control including the prevention of involvement in management activities by antisocial groups and the prevention of damage by such groups.

The basis of the measures for exclusion of antisocial groups is that the entire company is united in confronting antisocial groups with determination. The Kyocera Group CSR Guidelines clearly specify how to handle antisocial groups in order to notify all employees of the company's attitude.

The basic transaction contact form Kyocera has with our business associates now contains terms on exclusion of antisocial groups. More efforts will be made in the entire supply chain to redouble exclusion of antisocial groups.

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

Kyocera Group employees can consult the Employee Consultation Hot-Line Center on a diverse range of issues. Employees can seek advice and consultation, as well as 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 27 matters in FY2018, and steps toward resolution were taken in each case.

Supply Chain Management

Policy and Systems Related to Purchasing Activities

The Kyocera Group believes that the mutual prosperity of the entire supply chain can only be realized if all companies involved in the series of business processes, including development, production, sales and service work together to meet the demands of society.

To this end, the Kyocera Group actively communicates with business partners and focuses on the building of partnerships based on mutual trust. We also ensure thorough compliance with business-related laws such as the Subcontract Act, by regularly implementing in-house education and audits of personnel in charge of materials and business divisions.

Basic Policy on Purchasing

At the Kyocera Group, we are determined to contribute to value creation and business development through the materials business, diligently conduct work, and coexist with business partners, thereby attempting to be better people and win society's trust. We established the Basic Policy on Purchasing with this idea as the basis of our purchasing activities. Under this policy, we conduct various surveys on corporate overviews and CSR to evaluate and select our business partners fairly.

- 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 activities (e.g.: ISO14001 certification).

*1 Value Analysis

*2 Value Engineering

Holding of Supplier Seminars and Social Gatherings

The Kyocera Group regularly holds supplier seminars and social gatherings with business associates in order to better allow them to understand the management policy and business policy of the Group and request their further cooperation with our activities.

In FY2018, we held a supplier seminar and social gathering with major business associates in Kyoto. A total of 239 people from 196 companies participated in the event.



Awarding at the social gathering in the supplier seminar

CSR Deployment in the Supply Chain

The Kyocera Group promotes CSR activities together with our business partners in order to fulfill our social responsibilities in terms of human rights, labor rights and environmental conservation.

Kyocera established the Kyocera Supply Chain CSR Procurement Guideline to appropriately handle CSR issues that should be addressed by the entire supply chain, including formulation of BCP regarding conflict minerals and swift business restoration and continuation in disaster situations. We survey the CSR activity efforts of our business partners based on this Guideline.

In FY2018, we had the cooperation of our overseas customers with such survey items as human rights, labor rights, environment conservation, health and safety, fair trade, ethics, quality, safety, BCP, and information security. For business partners whose efforts on some items were found to be insufficient, we requested they work more proactively on CSR activities.

We continue communication with business partners through information sessions and other opportunities.



Kyocera Supply Chain CSR Procurement Guideline

■ Supply-Chain BCP Survey

The Kyocera Group establishes the policy that swift restoration and restart of business should be attempted even in the event of severance of product and service supply as a result of a natural disaster. In this respect, we ask business partners to conduct a survey on their effort for business continuity planning and to further promote BCP activities.

We explain the importance of BCP to new business partners supplying us with essential raw materials and components, and request they strengthen BCP measures. When the previous year's survey revealed some business partners' insufficient BCP efforts, we checked the status of improvements.

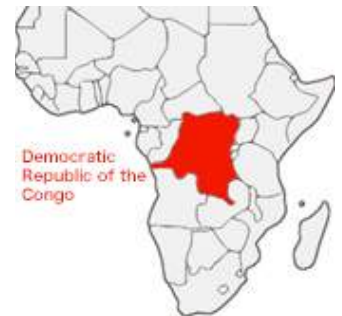
Kyocera will continue to promote the advancement of BCP activities both with the Kyocera Group and among our business partners.

Measures to Address Conflict Minerals

There is concern that mineral resources mined in the Democratic Republic of the Congo and neighboring countries may serve as a source of funds to armed groups that have committed human rights violations, and this has become an international issue.

Knowing that some revenue from minerals produced from the Democratic Republic of the Congo and its neighboring countries in Africa, including columbite-tantalite (tantalum), cassiterite (tin), gold, wolframite (tungsten), and their derivatives are used to fund armed groups that commit human rights violations, the Dodd-Frank legislation of July 2010 designates these minerals as "conflict minerals" regardless of where they are produced and requires all companies listed on the New York Stock Exchange to disclose information on the use of these minerals in their products.

The recent trend observes even corporations not listed in US stock exchange markets required to conduct "responsible minerals procurement" based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (hereinafter abbreviated as the OECD Guidance) issued by OECD.



Kyocera Group's Conflict Minerals Policy

The Kyocera Group's policy is that we will not purchase materials or products that use conflict minerals and their derived metals which are mined in the Democratic Republic of the Congo and neighboring countries and serve as a source of funds to the armed groups that have committed human-rights violations. We issued the Kyocera Supply-Chain CSR Deployment Guideline, which states our policy on conflict minerals, to help our business partners understand our stance and policy, thereby sharing the same attitude toward this issue.

Organizational System to Ensure Responsible Mineral Procurement

The Kyocera Group has set up a Committee consisting of directors or general managers of departments in charge of procurement (materials), IR, general affairs, internal auditing and legal affairs, as the central players to ensure responsible minerals procurement.

This Committee determines the methods that serve as the basis of conflict mineral investigation and the information to disclose about conflict minerals, and provides reports on its activities to top management in a timely and appropriate manner. Furthermore, the Committee provides education to Kyocera Group companies about the rules and policies on conflict minerals and ensures the entire Group appropriately deals with the problem of conflict minerals.

Furthermore, we play an important role to realizing early recognition of risks in handling conflict minerals, including communication with stakeholders, communication with the procurement division, and swift response to complaints or notices on conflict minerals collected through the internal reporting system.

■ Coordination and Cooperation with Trade Organizations

Kyocera promotes coordination and cooperation with trade organizations as part of our system of cooperation with external parties related to conflict minerals. To be specific, we realize responsible mineral procurement and are initially active as one of major members of the Responsible Minerals Trade Working Group set up in the Japan Electronics and Information Technology Industries Association (JEITA) to cope with the related regulations including Article 1502 of the US Dodd-Frank Wall Street Reform and Consumer Protection Act. We extend our cooperation with the Responsible Minerals Trade Working Group in the understanding of and response to problems revealed by the survey, and the implementation of survey briefing sessions. Since 2013, we have served as lecturers regarding the conflict mineral survey information sessions held by JEITA.

Actions for Business Partners and Survey Results

Kyocera conducted survey to our business partners using the Conflict Minerals Reporting Template (CMRT) prepared by the Conflict-Free Sourcing Initiative (CFSI), an international organization dealing with conflict mineral issues.

In FY2018, the survey based on Annex II of the OECD Guidance was conducted. As a result, we sent a Risky Smelter Report to business partners who had some problems that needed addressing in order to raise their attention.

We checked refineries and smelters listed in CMRTs provided by business partners with the list disclosed at CFSI. The following results were found:



Briefing session to business partners

	Gold	Tantalum	Tin	Tungsten	Total
Number of refineries/smelters	146	42	80	46	314
Number of refineries/smelters Validated as CFSI*	101	41	70	41	253
Number of refineries/smelters Considered as Non-CFSI	45	1	10	5	61

* Refineries or smelters validated to be conflict-free by a third party

In addition, we held consultation meetings with business partners to answer their questions. In China, Kyocera held a training session for in-house personnel in charge of conflict mineral research to reinforce internal systems. Furthermore, we started research on the procurement of additional minerals (such as Cobalt based on OECD Guidance) which are more and more demanded by customers.

Kyocera Group's Future Measures

The Kyocera Group recognizes the importance of identifying and carefully examining smelters. To this end, we intend to make a widespread survey using the Responsible Business Alliance (RBA), Responsible Mineral Assurance Process (RMAP) as a reference.

We intend to continually establish a strong supply chain relationship through various measures, including the signing of a letter of engagement with suppliers that includes a pledge to contact Kyocera immediately if a connection to conflict minerals have been discovered. As a member of JEITA's smelter support team, Kyocera also conducts outreach activity to encourage smelters to directly obtain certification.

Approaches to Raising Quality and Customer Satisfaction Levels

Efforts to Improve Product Quality

Kyocera Quality Policy

The Kyocera Group has established the Kyocera Quality Policy to achieve production of quality goods that fully satisfy our customers' needs.

All departments must pursue the right way to perform their jobs based on a firm policy in order to realize an enterprise that is worthy of trust throughout the world. All employees of the Kyocera Group continue to strive to do every job right the first time toward the goal of becoming a world leader in quality.

■ 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.

Quality Management Systems

The Kyocera Group holds meetings of the Kyocera CS Improvement Committee, with the President serving as its chairman, on a regular basis to improve customer satisfaction indices, share quality information to prevent quality problems, and prevent the recurrence of quality-related problems. The company has established quality management systems based on ISO9001, and each business unit sets its own quality targets and carries out quality improvements towards their achievement. Furthermore, these improvement activities are continuously being upgraded by holding various quality-related training programs. This training is designed to give employees field drills with the help of Kyocera-style tree diagrams and to help them enhance their practical ability to smoothly handle quality related problems.



Kyocera Group CS Improvement Committee

Efforts to Ensure Product Safety

Kyocera Product Safety Policy

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.

■ 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.

Responses to Accidents Involving Products

We have established systems that allow the CS Division and Risk Management Division to gather information and implement countermeasures if a serious product accident occurs. We also notify the competent authority of such accidents and disclose information on our Web site.

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. The number of inquiries to Kyocera in FY2018 was 98,103.

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.

Product Development by User Centered Design

Kyocera Document Solutions Inc. incorporates the concept of User Centered Design in its development process. Under this concept, users are always at the center of the life cycle of products such as printers and multifunctional products (MFPs), covering planning, design, production and sale; and products are designed based on information gathered from users and a good understanding of what they want.

Particularly in the design stage, it is important to understand customers' needs and repeat the production and evaluation of prototypes. This is how the company realizes the supply of easy-to-use products and user-friendly services. Engineers and designers whose job is to develop products actually visit workplaces where people with disabilities work, as well as place themselves in wheelchairs or wear special kits in order to recreate the physical experience of elderly people so that they can better understand the needs of diverse people. What they learn is then incorporated into the verification and development of products.



Wheelchair usability evaluation

Example Approach

■ Kyocera and Saga University Received the Special Prize of the 7th Monodzukuri Nippon Grand Award

Kyocera and Saga University received the Special Prize of the 7th Monodzukuri Nippon Grand Award (Product and Technical Development Category), sponsored by the METI, for development of an artificial hip joint application for the AG-PROTEX implant coating technology, in January 2018.

The Award aims to recognize those who show particularly excellent performance among those working at the front-line of manufacturing in order to ensure inheritance of the manufacturing technology and skills that made great contributions to Japan's industrial and cultural development, and enrichment of its people's current advancement. Kyocera and Saga University jointly developed AG-PROTEX, a technique for thermal spraying of hydroxyapatite containing silver with a wide antibacterial spectra and developed the antibacterial artificial hip joint application. This achievement was awarded with the prize.



Artificial hip joint using antibacterial technology AG-PROTEX®

■ 13 multi-functional and printer models granted the highest level certification "Highly Recommended"

Kyocera Document Solutions Inc. was certified "Highly Recommended," the highest level evaluation, by an independent survey organization on document equipment, Buyers Lab (BLI), U.S.A., for a total of 13 models, including seven color A3 multi-functional machine models, two monochrome A3 multi-functional machine models, and four monochrome A4 printer models, in November 2017.

These products underwent a series of strict tests by BLI and were evaluated as comprehensively excellent products noting performance features such as ease of use and image quality, as well as durability and price.



Multi-functional machine TASKalfa and printer ECOSYS certified as Highly Recommended

■ Kyocera's smartphone in the category of designs that contribute to the safety and security of children for the 11th Kids Design Award

Kyocera was recognized in the category of designs that contribute to the safety and security of children of the 11th Kids Design Award by the Kids Design Association for miraie f, Kyocera's smart phone for kids, in September 2017.

The award recognizes outstanding products, space and services that realize and disseminate the philosophies of designs for kids, namely, designs that contribute to the safety of children, designs that cultivate children's creativity and sensibility, and designs for comfortably raising children. This smartphone product is commended for its capability of preventing risky or excessive use of the Internet and setting various safety functions. For example, the menu is designed to allow easy setting of the rules determined by a parent and his or her child.



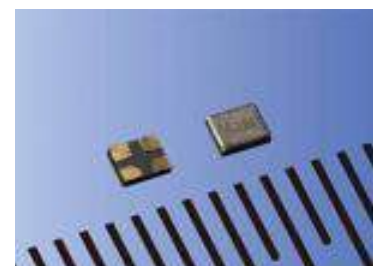
Smartphone for juveniles miraie f

■ Development of ultra-small crystal vibrator using plasma CVM technology received the 42nd Inoue Harushige Prize

In July 2017, Kyocera received the 42nd Inoue Harushige Prize jointly with Prof. Kazuya Yamamura, Osaka University, for the development of ultra-small quartz crystal units using plasma CVM* technology.

The prize recognizes researchers and corporations for development or commercialization of outstanding technology based on the unique research results of a university or research institute, and their eventual contributions to the advancement of science and technology in Japan, economic development or welfare improvement.

The technology developed by Kyocera and Prof. Yamamura is capable of contributing to further diffusion of smartphones and wearable devices and downsizing of hearing aids or medical capsules. The technological achievement realized by the industrial and academic collaboration of Kyocera and Osaka University, wins high evaluation.



Ultra-small crystal units (scale: 0.5mm)

* CVM: Chemical Vaporization Machining

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. It celebrates its 33rd anniversary in 2017 as an international award that honors 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 100 million yen per category.

Following the Kyoto Prize presentation ceremony each November, events are held to encourage the public's interaction with the laureates, including commemorative lectures for the general public where the laureates present their research and world view. Academic workshops involving experts in the chosen award fields, and educational programs for students from elementary school to university level are also held. A Kyoto Prize Symposium for local university students and the general public has been held in San Diego (U.S.A.) since 2001, and in 2017, a Kyoto Prize Symposium was held for the first time at Oxford University (U.K.).

The Kyocera Group is fully aligned with the spirit of the Kyoto Prize and is pleased to support this award.



The 2017 Kyoto Prize laureates



The Kyoto Prize Presentation Ceremony



Kyoto Prize Symposium held in San Diego (U.S.A.)
(©Erik Jepsen/UC San Diego)



Symposium "Kyoto Prize at Oxford" (U.K.)
(©John Cairns)

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 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 targeting the comprehensive development of human potential. Kyocera supported the construction of the facility. In 2000, Kyocera endowed the Chair of Management Studies in the Faculty of Engineering. In 2005, the Inamori Academy of Management and Technology was founded, which later reorganized and merged into the Inamori Academy in 2008.



Inamori Academy building

Research Support at Four U.S. Universities

In gratitude for many years of collaboration with the American electronics industry, and based on a desire to ensure the industry's continued development, Kyocera has given endowments to the engineering departments of Alfred University, Case Western Reserve University, Massachusetts Institute of Technology, and the University of Washington. These endowments support the research activities of appointed Kyocera Professors as well as the enrollment of overseas students and researchers at each institution.



Kyocera Professors meet to exchange research ideas

The Kyocera Museum of Fine Ceramics

The Kyocera Museum of Fine Ceramics was inaugurated at 1998 at the global headquarters building in Kyoto, followed by a sister museum in the company's Kagoshima Kokubu Plant, which opened in 2001. Open to the public and free of charge, the museums showcase the evolution and latest technological advances around which Kyocera has grown, and serve to support the future development of fine ceramics. The museum in Kyoto was completely renovated in March 2014, and receives more than 20,000 visitors every year.



The Kyocera Museum of Fine Ceramics

Donation of the Kyocera Collection of British Parliamentary Papers

In 1998, Kyocera donated to Japan's National Museum of Ethnology more than 12,000 volumes of documents that had been submitted to the British parliament in the 19th and 20th centuries. The collection was transferred to the Center for Integrated Area Studies (CIAS) at Kyoto University in 2006 and is utilized as a resource for research.



Kyocera Collection of British Parliamentary Papers

Support for Culture and the Arts

The Kirishima International Music Festival

Since 2001, Kyocera has supported the Kirishima International Music Festival (Kirishima city, Kagoshima prefecture, Japan), which started in 1980, with the goal to provide students an opportunity to learn from outstanding musicians by experiencing their performances firsthand. Over sixty concerts and workshops are held every year, featuring musicians from around the world as invited performers and lecturers. The number of participants from overseas centering on Asia is increasing every year, and the Kirishima International Music Festival now enjoys growing popularity as one of Asia's major musical festivals.



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 ethos decorate Kyoto's prominent streets, temples, shrines, and other historic cultural assets. More than two million people enjoy fantastic night scenery during the events in Higashiyama and Arashiyama for 20 days each March.



Townscape vividly lit by street lanterns
© Kyoto Hanatouro Promotion Council

The Kyocera Museum of Art

The Kyocera Museum of Art, which is open to the public and free of charge, was established at 1998 at Kyocera's headquarters building (Kyoto, Japan). Many works of art are on permanent display, including Picasso's copper plate print series 347, paintings, sculptures, and Qianlong glass from China.

In 2017, a special exhibition depicting the Battle of Toba-Fushimi, which determined the fate of the Meiji Restoration, was held. Invaluable items including a pictorial record showing the battle, soldier hats and cannons used in the battle, and a drawing of a house in which Sakamoto Ryoma took refuge after the Ikedaya Incident were on display to show a glimpse of the local history to visitors.



The Kyocera Museum of Art



2017 Autumn Special Exhibition poster

International Exchange and Collaboration

Donations to Nepal to Support Earthquake Reconstruction

To support reconstruction in Nepal following the 2015 earthquakes, Kyocera donated solar power generating systems through the United Nations Development Programme (UNDP), which established temporary facilities and helped rebuild infrastructure and lifelines. The solar installations power lighting and computers at Gorkha District Hospital and a rehabilitation facility in the Sindhupalchowk District.



Delivery to Sindhupalchowk District (Nepal)

Picture Books for Children in Asia

Since 2009, to support international efforts to promote reading, Kyocera Communication Systems Co.,Ltd. has joined a program to deliver children's picture books translated into local languages to regions in Asia with lower literacy rates. Picture books were delivered to Laos and Cambodia and used to help local children learn reading and writing skills.



Employees volunteer to make picture books



Children enjoying the picture books (photo courtesy of Shanti Volunteer Association)

The Inamori-Kyocera Western Development Scholarship

Kyocera and its founder, Kazuo Inamori, set up the Inamori-Kyocera Western Development Scholarship Fund in 2001 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. Scholarships are granted at 12 universities each year, with about 200 students as scholarship recipients. More than 4,000 in total received the scholarship recipients to date.



Scholarship recipients

Providing Scholarships to Japanese Language Students

Kyocera International, Inc. (U.S.A.) has provided Kyocera Japanese Scholarships to accomplished students who learn Japanese at San Diego State University for over 30 years since 1983 in hopes of deepening the relationship between Japan and USA. The Kyocera Best Student Awards are also given to top performers of each class to further promote Japanese language learning among the University students.



Student receiving the Kyocera Japanese Language Scholarship (left) and the representative of Kyocera International, Inc. (right) (© Cassandra Neel)

Vietnam Cultural Exchange Tour Delegation Was Invited to Japan.

This event started in 2016 in hopes of providing children with the experience of visiting a foreign culture and thus being able to serve as a bridge of friendship between Japan and Vietnam in the future. Children publicly selected from Hanoi, Hung Yen Province, and Hai Phong visited Japan and stayed at Japanese homes to experience Japanese culture and learn about Japan.



Vietnamese children visiting the headquarters of Kyocera



Vietnamese children experiencing Japanese summer together with their host families



Vietnamese children mingling with Japanese junior high school students

Support for Overseas Study

Since 2013, the Japanese Ministry of Education, Culture, Sports, Science and Technology has implemented “TOBITATE! NEXT JAPAN” - a public-private overseas study program aimed at nurturing human resources with a global perspective to succeed in the modern world. Kyocera supports this program, hoping that the ambitious and talented young people will be able to contribute positively to society in the future.



“TOBITATE! NEXT JAPAN” send-off party

Supporting Education of Vietnam Maritime University Students

To support the development of the local city of Hai Phong, Kyocera Document Technology Vietnam Co., Ltd. started offering scholarships to Vietnam Maritime University students in 2013.

By providing annual scholarships to economically disadvantaged students with excellent academic performance and conduct, Kyocera hopes to assist in developing strong leaders for the next generation.



Ceremony inaugurating the scholarship program



Scholarship recipients

Donations to Schools in Uganda, Tanzania and Nepal

To help improve the educational environment in areas lacking electricity, Kyocera donated solar power generating systems and basic electrical equipment, including lighting, TVs and radios, to schools in Uganda, Tanzania and Nepal from 2009 to 2014. 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 at a school
(Uganda)



Schoolchildren watch a solar-powered TV
(Uganda)



Solar modules installed at a school
(Tanzania)



Solar modules installed at a school
(Nepal)

Local Community Activities

Japan

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.

Pink Ribbon Activities

The Kyocera Group supports the Pink Ribbon movement to promote early detection and diagnosis of breast cancer, and has donated part of the profits from its pink ceramic kitchen products to this effort since 2008. Kyocera also supports similar activities in the U.S.A., Singapore, China, and South Korea.



Ceramic knife series supports the Pink Ribbon movement

Supporting Local Festivals - Summer Festivals at Plants and Offices

The Kyocera Group actively supports local festivals and events to help vitalize the local communities where our plants and offices are located. Every year about 200 Kyocera employees participate in the So Odori dance event of the Kirishima Kokubu Summer Festival to boost the festive mood of this local event. Every year since 1972, the Kyocera Group has held summer festivals at its offices and plants throughout Japan as a token of our willingness to treasure communication with local residents. Outside Japan, Kyocera also holds summer festivals in China and other countries. Since 2014, we have started holding a summer festival in Vietnam as well.



Kyocera employees enjoying the Kirishima Kokubu Summer Festival (Kirishima city, Kagoshima prefecture)



Summer festival of the Yokohama Nakayama Office with the brass band of a local junior high school performing

Local Beautification Activities

The Kyocera Group aims to be an integral part of its local communities, participating on a regular basis in beautification efforts for roads and streets, parks, forests, rivers, beaches, and areas around the company's offices and plants worldwide. We are actively involved in local beautification events, including regular trash pick-ups and participation in cleanup activities held by local governments.



Kyocera employees in local cleanups (left: Yasu city, Shiga prefecture)
(right: Matsuzaka city, Mie prefecture)

Operation of Kagoshima Nanatsujima Solar Science Museum

Kyocera, working through the Kagoshima Mega Solar Power Corporation, built and operates the 70-megawatt Kagoshima Nanatsujima Mega Solar Power Plant and the adjoining Kagoshima Nanatsujima Solar Science Museum where people can explore global environmental issues and learn how solar power generation works. More than 40,000 people have visited the facilities since they opened in 2013. In addition to offering stunning views of the solar power plant and Mt. Sakurajima, the museum seeks to contribute to local revitalization.



Kagoshima Nanatsujima Mega Solar Power Plant where the Solar Science Museum is located



Students touring the Kagoshima Nanatsujima Solar Science Museum

Christmas Illuminations

In December, Kyocera festively illuminates its global headquarters building in Kyoto with LED lighting to enliven the local community. During the holiday season, the headquarters building becomes a huge, 86-meter-high shining fir tree through the clever arrangement of lighted windows. In 2017, many visitors enjoyed strolling in the headquarters courtyard, which was decorated by approximately 190,000 LED bulbs, providing a festive atmosphere on winter nights.



A giant Christmas tree is created through the clever arrangement of lighted windows



LED illuminations in the public space in front of the headquarters building

Outside Japan

Outreach Activities for Local Children and Groups

Kyocera Precision Tools Korea Co., Ltd. (Korea) has conducted outreach to disabled children and elderly persons living alone at Christmas time every year since 1999.

Approximately 400 employees divide into small groups to deliver food and daily necessities donated by employees, and also engaged in other volunteer activities such as light housekeeping.



Scarves delivered to children in welfare facilities

Donation to the Autism Research and Treatment Organization

Kyocera Document Solutions America, Inc. (U.S.A.) began fundraising for World Autism Awareness Day in 2014. Kyocera employees who donated five dollars or more come to work in blue, the official color of World Autism Awareness Day. Money donated by employees is given to Autism Speaks, an organization specializing in the research and treatment of autism.



Employees in blue who participated in the charity drive

Raising Funds for Cancer Patients

Kyocera Document Solutions Australia Pty. Ltd. (Australia) supports both “Daffodil Day” and “Australia’s Biggest Morning Tea” charity fundraisers, which benefit cancer patients and research. Teddy bears, pens and other goods were sold in the office and a staff-funded morning tea was held to raise donations. All funds raised were donated to the Cancer Council Australia.



Employees participate in “Australia’s Biggest Morning Tea” charity event



“Australia’s Biggest Morning Tea” charity event

Toys for Tots Donation

Since 2006, Kyocera Document Solutions America, Inc. (U.S.A.) has supported the annual Toys for Tots campaign run by the U.S. Marine Corps, which collects toys to give as holiday gifts to underprivileged children. The primary goal of Toys for Tots is to deliver a message of hope to less fortunate youngsters that will assist them in becoming responsible and productive citizens.



U.S. Marines and Kyocera employee with donated toys

Editorial Policy

This CSR report is published to report on the Kyocera Group's CSR activities in keeping with the concept of ISO26000, the 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 FY2018 (April 1, 2017 to March 31, 2018).

Scope of the Report

Kyocera Corporation and consolidated subsidiaries

In this report, "Kyocera" refers to Kyocera Corporation as a separate entity. The environmental data shown here are for production sites. Whenever the scope differs, it is so specified.

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, and the Corporate Communications Division.

GRI and ISO26000 Comparison Tables


The Kyocera Group strives to report in conformity to international standards and refers to core subjects of GRI (Global Reporting Initiative), GRI Standard (2016), and ISO26000: 2010.

GRI Guideline

Item	Indicator	References
Organizational profile		
102-1	Name of the organization	Corporate Summary
102-2	Activities, brands, products, and services	Business Segments
102-3	Location of headquarters	Corporate Summary
102-4	Location of operations	Global Network
102-5	Ownership and legal form	Corporate Summary Financial Report
102-6	Markets served	Corporate Summary
102-7	Scale of the organization	Corporate Summary
102-8	Information on employees and other workers	Promotion of Diversity and Inclusion
102-9	Supply chain	Kyocera Group Corporate Social Responsibility (CSR) Supply Chain Management
102-10	Significant changes to the organization and its supply chain	Not applicable
102-11	Precautionary Principle or approach	Corporate Governance Risk Management and Compliance Environmental Risk Management
102-12	External initiatives	Response to International Standards and Initiatives
102-13	Membership of associations	Keidanren (Japan Business Federation), JEITA (Japan Electronics and Information Technology Industries Association) etc
Strategy		
102-14	Statement from senior decision-maker	Top Management Message
102-15	Key impacts, risks, and opportunities	Top Management Message Financial Report
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	Kyocera Group Management Roots Kyocera Group Corporate Social Responsibility (CSR) Corporate Governance
102-17	Mechanisms for advice and concerns about ethics	Risk Management and Compliance

Governance		
102-18	Governance structure	→ Corporate Governance
102-19	Delegating authority	→ Corporate Governance
102-20	Executive-level responsibility for economic, environmental, and social topics	→ Corporate Governance
102-21	Consulting stakeholders on economic, environmental, and social topics	→ Kyocera Group Corporate Social Responsibility (CSR)
102-22	Composition of the highest governance body and its committees	→ Corporate Governance
102-23	Chair of the highest governance body	→ Corporate Governance
102-24	Nominating and selecting the highest governance body	→ Corporate Governance
102-25	Conflicts of interest	→ Corporate Governance
102-26	Role of highest governance body in setting purpose, values, and strategy	→ Corporate Governance
102-27	Collective knowledge of highest governance body	-
102-28	Evaluating the highest governance body's performance	-
102-29	Identifying and managing economic, environmental, and social impacts	→ Kyocera Group Corporate Social Responsibility (CSR)
102-30	Effectiveness of risk management processes	-
102-31	Review of economic, environmental, and social topics	→ Goals and Results of CSR Activities
102-32	Highest governance body's role in sustainability reporting	→ Corporate Governance
102-33	Communicating critical concerns	→ Corporate Governance
102-34	Nature and total number of critical concerns	-
102-35	Remuneration policies	→ Corporate Governance
102-36	Process for determining remuneration	→ Corporate Governance
102-37	Stakeholders' involvement in remuneration	-
102-38	Annual total compensation ratio	-
102-39	Percentage increase in annual total compensation ratio	-
Stakeholder engagement		
102-40	List of stakeholder groups	→ Kyocera Group Corporate Social Responsibility (CSR)
102-41	Collective bargaining agreements	→ Promotion of Diversity and Inclusion
102-42	Identifying and selecting stakeholders	→ Kyocera Group Corporate Social Responsibility (CSR)
102-43	Approach to stakeholder engagement	→ Kyocera Group Corporate Social Responsibility (CSR)
102-44	Key topics and concerns raised	→ Kyocera Group Corporate Social Responsibility (CSR)

Reporting practice		
102-45	Entities included in the consolidated financial statements	Kyocera Group Corporate Social Responsibility (CSR)
102-46	Defining report content and topic Boundaries	Kyocera Group Corporate Social Responsibility (CSR)
102-47	List of material topics	Kyocera Group Corporate Social Responsibility (CSR)
102-48	Restatements of information	-
102-49	Changes in reporting	-
102-50	Reporting period	Editorial Policy
102-51	Date of most recent report	July, 2018
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Support / Contact 
102-54	Claims of reporting in accordance with the GRI Standards	-
102-55	GRI content index	GRI and ISO26000 Comparison Tables
102-56	External assurance	Financial Report 
Management Approach		
103-1	Explanation of the material topic and its Boundary	Kyocera Group Corporate Social Responsibility (CSR)
103-2	The management approach and its components	Management Respect for Human Rights / Optimal Work Environment Environmental Activities Fair Business Activities Customer Concerns
103-3	The management approach and its components	Management Respect for Human Rights / Optimal Work Environment Environmental Activities Fair Business Activities Customer Concerns
Economic Performance		
201-1	Direct economic value generated and distributed	Financial Report 
201-2	Financial implications and other risks and opportunities due to climate change	Financial Report 
201-3	Defined benefit plan obligations and other retirement plans	Financial Report 
201-4	Financial assistance received from government	Financial Report 
Market Presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-
202-2	Proportion of senior management hired from the local community	-

Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	→ Social Contribution Activities
203-2	Significant indirect economic impacts	→ Financial Report 
Procurement Practices		
204-1	Proportion of spending on local suppliers	-
Anti-corruption		
205-1	Operations assessed for risks related to corruption	→ Internal Control Audits of the Kyocera Group → Thorough Legal Compliance
205-2	Communication and training about anti-corruption policies and procedures	→ Thorough Legal Compliance
205-3	Confirmed incidents of corruption and actions taken	-
Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not applicable
Materials		
301-1	Materials used by weight or volume	-
301-2	Recycled input materials used	→ Environmentally Friendly Products
301-3	Reclaimed products and their packaging materials	-
Energy		
302-1	Energy consumption within the organization	→ Energy Conservation and Prevention of Climate Change
302-2	Energy consumption outside of the organization	→ Energy Conservation and Prevention of Climate Change
302-3	Energy intensity	→ Energy Conservation and Prevention of Climate Change
302-4	Reduction of energy consumption	→ Energy Conservation and Prevention of Climate Change
302-5	Reductions in energy requirements of products and services	→ Environmentally Friendly Products
Water		
303-1	Water withdrawal by source	-
303-2	Water sources significantly affected by withdrawal of water	-
303-3	Water recycled and reused	-
Biodiversity		
304-1	Operational sites 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
304-2	Significant impacts of activities, products, and services on biodiversity	→ Activities Related to the Conservation of Biodiversity
304-3	Habitats protected or restored	→ Activities Related to the Conservation of Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	-

Emissions		
305-1	Direct (Scope 1) GHG emissions	→ Energy Conservation and Prevention of Climate Change
305-2	Energy indirect (Scope 2) GHG emissions	→ Energy Conservation and Prevention of Climate Change
305-3	Other indirect (Scope 3) GHG emissions	→ Energy Conservation and Prevention of Climate Change
305-4	GHG emissions intensity	→ Energy Conservation and Prevention of Climate Change
305-5	Reduction of GHG emissions	→ Energy Conservation and Prevention of Climate Change
305-6	Emissions of ozone-depleting substances (ODS)	Complete elimination
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	→ Energy Conservation and Prevention of Climate Change
Effluents and Waste		
306-1	Water discharge by quality and destination	→ Effective Use of Water Resources
306-2	Waste by type and disposal method	→ Waste Reduction and Recycling Measures
306-3	Significant spills	→ Environmental Risk Management
306-4	Transport of hazardous waste	-
306-5	Water bodies affected by water discharges and/or runoff	-
Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	→ Environmental Risk Management
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	→ Supply Chain Management → Promotion of Green Procurement
308-2	Negative environmental impacts in the supply chain and actions taken	→ Supply Chain Management → Promotion of Green Procurement
Employment		
401-1	New employee hires and employee turnover	→ Careers <input type="checkbox"/>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	-
401-3	Parental leave	-
Labor/Management Relations		
402-1	Minimum notice periods regarding operational changes	-

Occupational Health and Safety		
403-1	Workers representation in formal joint management-worker health and safety committees	→ Approaches to Stimulating Communication(Approach to Labor-Management Relations)
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	→ Approaches to Occupational Health and Safety
403-3	Workers with high incidence or high risk of diseases related to their occupation	→ Approaches to Occupational Health and Safety
403-4	Health and safety topics covered in formal agreements with trade unions	→ Approaches for Health Enhancement
Training and Education		
404-1	Average hours of training per year per employee	→ Advancing Kyocera Philosophy Education → Cultivation of Human Resources
404-2	Programs for upgrading employee skills and transition assistance programs	→ Cultivation of Human Resources
404-3	Percentage of employees receiving regular performance and career development reviews	→ Advancing Kyocera Philosophy Education → Cultivation of Human Resources
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	→ Promotion of Diversity and Inclusion
405-2	Ratio of basic salary and remuneration of women to men	-
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	-
Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	→ Promotion of Diversity and Inclusion → CSR Deployment in the Supply Chain
Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	-
Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-
Security Practices		
410-1	Security personnel trained in human rights policies or procedures	-
Rights of Indigenous Peoples		
411-1	Incidents of violations involving rights of indigenous peoples	-

Human Rights Assessment		
412-1	Operations that have been subject to human rights reviews or impact assessments	➔ Advancing Kyocera Philosophy Education ➔ Cultivation of Human Resources
412-2	Employee training on human rights policies or procedures	➔ Advancing Kyocera Philosophy Education ➔ Cultivation of Human Resources
Local Communities		
413-1	Operations with local community engagement, impact assessments, and development programs	➔ Green Communication ➔ Social Contribution Activities
413-2	Operations with significant actual and potential negative impacts on local communities	➔ Environmental Risk Management
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	➔ Supply Chain Management
414-2	Negative social impacts in the supply chain and actions taken	➔ Supply Chain Management
Public Policy		
415-1	Political contributions	-
Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	➔ Efforts to Ensure Product Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	➔ Development of Environmentally Friendly
417-2	Incidents of non-compliance concerning product and service information and labeling	-
417-3	Incidents of non-compliance concerning marketing communications	-
Customer Privacy		
418-1	Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data	-
Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	-

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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"> ➔ Promotion of Diversity and Inclusion ➔ Promotion of Diversity and Inclusion ➔ Supply Chain Management
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"> ➔ Promotion of Diversity and Inclusion ➔ Cultivation of Human Resources ➔ 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 Basic Philosophy and Policy ➔ 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"> ➔ Promotion of Green Procurement ➔ 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 practices 2. Protecting consumers' health and safety 3. Sustainable consumption 4. Consumer service, support, and complaint and dispute resolution 5. Consumer data protection and privacy 6. Access to essential services 7. Education and awareness 	<ul style="list-style-type: none"> ➔ Promotion of Green Procurement ➔ 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"> Green Communication Social Contribution Activities
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