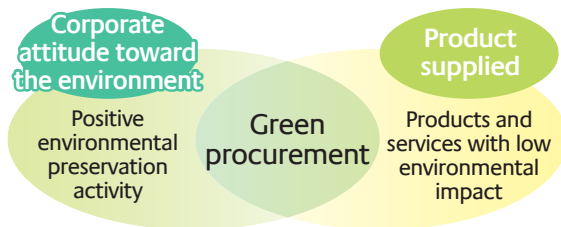


Green Procurement

To promote environmental preservation activities, it is also necessary to take appropriate actions in supply chain management.

Kyocera established its Green Procurement Standard in 1998 to address the procurement of environmentally friendly materials and asks suppliers for their cooperation based on Kyocera's Guidelines for Green Procurement.



Assessment of Corporate Attitude

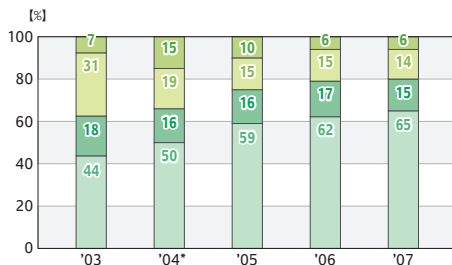
Survey on Suppliers' Environmental Management

Kyocera surveys its suppliers annually regarding their environmental management and environmental preservation activities. Survey results from 1,830 companies in FY2008 are shown below.

As shown in the graph, the number of Level A suppliers is increasing. This suggests that the environmental management of our suppliers has improved.

As for Level C and D suppliers, Kyocera distributes environmental requirements for them to understand Kyocera group's environmental policies and requests cooperation with our environmental protection activities.

Supplier Environmental Status Survey Results



■ Level A: Very good environmental management
 ■ Level B: Generally good environmental management
 ■ Level C: Partial improvement of environmental management required
 ■ Level D: Incomplete environmental management

* Since the survey contents were revised in FY2005, there were some suppliers whose levels became lower than in FY2004.

Environmental Audit

Kyocera conducts an environment audit on the status of environmental management every year based on the results of the survey.

In FY2008, we visited suppliers to audit their compliance with laws or ordinances, their application of the environmental management system, and their management of chemical substances in products. We have also asked them to take corrective actions for items requiring improvement.

Assessment of Product Supplied

Kyocera requests that its suppliers take action to ensure that their products meet the requirements of the Kyocera Guidelines for Green Procurement.

We strive for “non-containment and non-use of prohibited chemical substances” with our suppliers’ strong support and cooperation by asking them to provide a “Guarantee of Non-use” and a table of constituent contents.

Kyocera Guidelines for Green Procurement (Requirements for Suppliers)

1. Non-containment and non-use of prohibited chemical substances
2. Energy conservation and resource conservation
3. Availability of easy recycling
4. Reduction of packing materials



Support for Building Environment Management Systems by Suppliers

To support suppliers in obtaining certification of an environmental management system standard, Kyocera discloses the KGEMS Manual, which is Kyocera's own system based on the ISO 14001 Standard. At present, Kyocera provides the KGEMS Manual to suppliers that intend to establish environmental management systems and is active in helping them construct these environmental management systems.



KGEMS Manual