

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”. In our quest to achieve this Rationale, we constantly strive to optimize our organization. Kyocera is setting up personnel and education systems necessary to develop and train employees, while actively undertaking measures for improved safety and the prevention of accidents or disaster. Optimizing our organization gives employees a sense of pride in their company and the feeling that their work is worthwhile.

Personnel Matters

The “material and intellectual growth” targeted by the Management Rationale encompasses more than simply economic stability and prosperity. It embraces an enrichment of the spirit – something to live for and a sense of doing worthwhile work – through self-fulfillment. To achieve the Management Rationale, our personnel systems are adaptable to the characteristics and societal norms of individual countries. Such systems must be able to adapt to diverse values and the changing environment of an aging society, in addition to the changing labor environment that stems from mobility of employment and globalization of corporate activity.

The Personnel Vision

To work continually on innovation of various personnel measures. To create a workplace climate in which all employees can take pride in the company and feel that their work is worthwhile, while sharing both hardships and joys. To thereby contribute to achieving the Management Rationale.

Respect for Human Rights

Aside from compliance with the laws of individual countries, the Kyocera Group explicitly prohibits the use of forced labor, child labor and other practices highlighted by the United Nation’s Universal Declaration of Human Rights, Fundamental Human Rights Convention by the International Labor Organization (ILO), the United Nations Global Compact, and other international conventions. The Kyocera Group also prohibits discriminatory treatment on the basis of gender, age, beliefs, nationality, physical features, etc. Furthermore, 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 appealing work environments that foster motivation to work. Meanwhile, great importance is placed on individual character and ability when hiring and appointing diverse talented people.

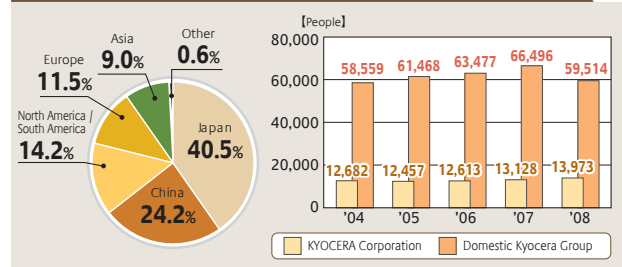
Adapting to Globalization

Examination of employee ratios according to region indicates that about 2/3 of Kyocera Group employees are working outside of Japan. Since the first overseas office was established in 1968 (in the USA), localization has been the basic principle of recruitment and has always endeavored to appoint local employees to management positions. Furthermore, to foster a sense of unity among local employees, energy is put into various activities, such as sporting events.



A sports festival (China)

Ratio & No. of Employees by Region (As of March 31, 2009)



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 relations is “coaxial labor and management,” where perspectives are shared on the same level. Such relations are stimulated and sustained through unity in participation in sporting events, summer festivals and many other kinds of events.

● Regulations Review Project

The Regulations Review Project, undertaken jointly by labor and management, was launched in 2005. Employees’ needs and lifestyles are diversifying alongside changes in the environment of the times. Labor and management are therefore working together on checking criteria and standards, to ensure they are always appropriate, fair and impartial.

● Labor & 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 workplace environment, and to actively exchange views on matters needing improvement, among other issues.



Together with Employees

Kyocera Group Sports Festival (Also called “All-Sports”)
All-Sports is a notable event jointly organized by labor and management. It is held each year to heighten mutual trust and solidarity in the Kyocera Group through competition, victory celebrations and so on. The 31st All-Sports was held in 2008. Having won in regional preliminaries, 32 teams engaged in heated competition at Kyocera Dome Osaka.



Measures for raising workplace vitality

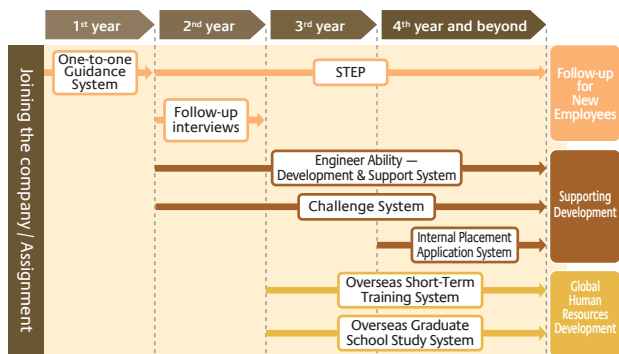
Since FY2007, Kyocera has conducted an opinion survey to all employees. The survey focuses on the level of satisfaction with the work and workplace atmosphere, the management situation, the sense of trust in the company, and suggestions for improvements, etc. Results are analyzed for each organizational unit, allowing for the diagnosis of the “vitality level” in each workplace. Using results as one reference indicator, workplace leaders take the lead in improvement activities for heightening workplace vitality.

Development of Human “Assets”

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

In particular, personal development can be achieved to a great extent through work. Therefore, 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 aims to match the ideas and ambitions of employees with the business requirements of the company, thereby realizing employee growth and company development simultaneously. The flowchart below illustrates the development of human assets.



● One-to-One Guidance System

(Supporting Growth of New Employees)

Couches are selected for each new employee. Based on personalized development plans, coach gives fine-tuned guidance through communication with each individual. Additionally, each employee meets with the Human Resources Department Staff. New employees can thus receive advice from several perspectives. The Human Resources Department Staff then conduct follow-up interviews in the second year of employment.

● STEP (Support Training and Education at Workplace)

STEP is a system for supporting certain and steady development of young employees, as they progress from one stage to the next. Regular opportunities are provided for communication between superiors and subordinates. These allow subordinates to express their views and wishes to superiors, as superiors listen carefully. Sharing thoughts in this manner builds workplace unity and supports the growth of young employees. STEP was introduced for employees in FY2009 and continues functioning for each person until the end of the fifth year with the company.

● Skill Development Support System for engineers

This system supports engineers as they independently strive to enhance their qualities as engineers. Specifically, the system clarifies the ideal state of an engineer for each job category and grade, while giving a quantitative grasp of the skills needed to get there (specific job requirements and levels). Every year, each person sets a target and then undertakes skills development through on-job and off-job training. Results are evaluated once a year and engineers receive certification for a higher grade according to the level of achievement. This system leads to improved engineering capability for the organization as a whole.

● Challenge System (Superior-Subordinate Interview System)

Once a year, each employee shares work targets with a superior in an interview aimed at setting direction for skills development.

With a clear understanding of his or her functions, each employee can concentrate independently on the work and skills development. Supervisors, by heeding subordinate feedback, can thus smooth the way for raising ability as an organization to reach goals and accomplish business affairs.

● Internal Placement Application System

When divisions anticipate the need for an addition of personnel for new operations, expansion of operations, or other purposes, this system enables employees throughout the company to apply for placement.

Employees can accept the challenges of diverse business fields of the Kyocera Group in accordance with their aspirations. The aim is to offer positions with heightened activity to talented people who have drive and ambition.

● Overseas Training Systems

Kyocera has an Overseas Short-Term Training System and an Overseas Graduate School Study System. The objective of these systems is to cultivate human resources who can function on the global stage.

The systems were established in 1984, and 109 people have been sent abroad for study since then. In FY2009, six employees were sent overseas for short-term training, and one employee was sent to study at an overseas graduate school.

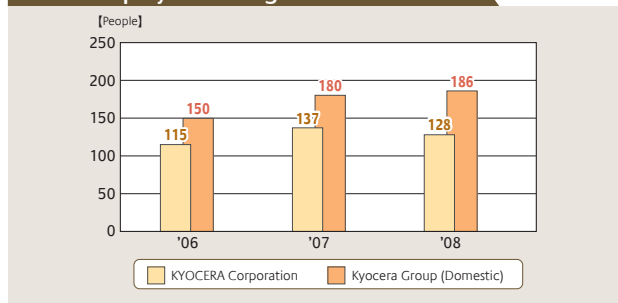
Kyocera is thus cultivating employees with improved language skills, the ability to obtain up-to-date knowledge and technology that can only be acquired abroad, and a sense of international awareness.

■ A Balance of Work and Life

● Measures for Child Care and Nursing

To support the coexistence of work and home life, Kyocera introduced a child-care leave system in FY1993. In FY1996, Kyocera established a family nursing care leave system that surpasses legal requirements. Employees can take a maximum of one year off work to nurse sick family members. In FY2007, we introduced a short-time work system for pregnant employees, and employees raising children through the third year of elementary school. So far, 208 employees have used the short-time work system, in total

■ No. of Employees Taking Child Care Leave



● Promoting Career of Women in the Workplace

Promoting the role of women in the workplace is an important management issue. In January 2006, Kyocera set up the Positive Action Promotion Committee, chaired by the personnel director, and the Women's Activity Promotion Committee. While increasing the number of female employees and broadening job options for women, Kyocera is building a system to improve the balance of work and life, through introduction of the short-time work system and other measures.

● Return-to-Work System

In December 2007, Kyocera introduced a system whereby people who left the company due to marriage, childbirth, childrearing, nursing care or other unavoidable reasons can return to work as regular employees. This system expands the options for working when thinking about plans for life, and supports realization of a balance of work and life for individual employees.

■ Offering Employment Opportunities to Match Diverse Needs

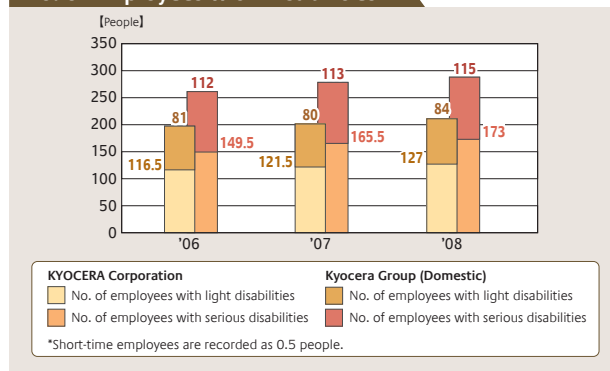
● Employing People with Disabilities

Kyocera actively promotes an environment that supports the employment of people with disabilities and makes it easier for them to work. Each employee is assigned to a workplace upon consideration of aptitude, the nature of the work, and other matters.

As of March 2009, the ratio of people with disabilities, employed by Kyocera, was 1.91%. This surpasses the legally required ratio (1.8%).

Kyocera will continue to actively provide employment opportunities for people with disabilities.

■ No. of Employees with Disabilities



● Senior Employee Contract Workers

In FY2002, Kyocera introduced a system for offering re-employment to employees approaching retirement at the age of 60 years.

This system satisfies the needs of both employees and Kyocera. For employees reaching regular retirement age, it offers the chance to continue with meaningful work. Meanwhile, continued application of acquired abilities and skills contributes to further development of the company and perpetuation of corporate climate and culture.

■ Senior Employee Contract Workers

