

Community Involvement and Development

Policy

KDDI Group

KDDI's Approach (Community Involvement and Development)

KDDI Group is continuing initiatives to solve societal and environmental issues of the countries and regions we have expanded to in order to achieve a truly connected society. Each regional office is in charge of regional social contribution activities in that region, and we place importance on discussion and cooperation with a variety of stakeholders from local communities, administrations, universities, NGOs and NPOs.

Social Contribution Policy

Basic Principles

Operating in accordance with the KDDI Group Philosophy, by satisfying all its stakeholders the KDDI Group seeks to contribute to society's happiness by encouraging fulfilling lives for people around the world in a sustainable manner.

Behavioral Guidelines

1. As a company involved in information and communications business, KDDI recognizes its social responsibility to address societal issues through the use of information and communications technologies (ICT). We aim to provide appropriate communication environments that are safe and secure for all people.
2. KDDI has established medium-term themes for its social contribution activities in five areas: "bridging the digital divide,"* "sound development of youth," "environmental conservation," "social and cultural support," and "support in times of disaster." By maximizing our application of such resources as networks, products and services, we conduct social contribution activities through ICT, in a manner characteristic of KDDI.
3. Through communications with stakeholders, we notify and share information concerning ongoing improvements in the content of our operations, thereby contributing to society's development.
4. By sharing with KDDI Group employees our directions on social contribution activities, we pursue independent-minded activities as a good corporate citizen in the aim of achieving sustainable growth in tandem with society.

* Issue where an information disparity occurs between people who have access to information and communication technology such as the computers and the internet and those who do not.

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Social Contribution Policy

The KDDI Group established its Social Contribution Policy in 2012. As a good corporate citizen, we respond to the demands of society and earn its trust by using our technologies and human resources to contribute to society in domestically and overseas.

When selecting and implementing activities, we discuss policies and methods while considering issues shared in international society, including Sustainable Development Goals (SDGs).

[Link](#) Page_19 Relationship of SDGs to KDDI Business and CSR

Policy

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Community Contribution in 5 Fields

KDDI is engaged in social contribution activities focused on the following five areas published in our Social Contribution Policy: (1) bridging the digital divide, (2) sound development of youth, (3) environmental conservation, (4) social and cultural support, and (5) support in times of disaster.

[Link](#) Page_55 About Efforts in Growing Markets

Results

KDDI Group


Initiative Conditions

■ (1) Bridging the Digital Divide (related SDGs:   


Targets	FY2016 Outcomes and Progress
Improve Senior ICT Literacy	<ul style="list-style-type: none"> • KDDI Smartphone and Mobile Phone Safety Classes for seniors (215 times, 3,900 participants, 82% comprehension)
Bridging the Digital Divide in Developing Countries	<ul style="list-style-type: none"> • Presented the vocational training school affiliated with Myanmar's NLD Education Network with 200 notebook PCs and an MPT Wi-Fi router, sent trainers, and in September 2016 started "Digital Skills to Go Forward", a CSR program aimed toward improving the digital skills of Myanmar's youth (MPT) • Supporting network construction in Cambodia, Iraq, and Bhutan (KDDI Foundation) <p>Link Page_55 About Efforts in Growing Markets</p>

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■ (2) Sound Development of Youth (related SDGs:)

Targets	FY2016 Outcomes and Progress
Improve youth ICT literacy	<ul style="list-style-type: none"> KDDI Smartphone and Mobile Phone Safety Classes for juniors (3,806 times, 680,000 participants, 93.7% comprehension) "IT Class" (App development classes) for hearing impaired elementary and junior high school students <p> Awareness Activities on the Use of ICT Services <small>Page_26</small></p>
Contribute to next generation career building	<ul style="list-style-type: none"> Implemented Career Education targeted at junior high school and high school students Cooperation with the Cabinet Office's "Riko Challenge", which supports female students in junior high, high school, and university that are interested in the sciences select paths in the field, as well as hold a summer vacation hands-on event to support young women and girls in the sciences Cooperation with the "summer school" (science class) held by universities (KDDI Foundation) Hackathon with WoT and IoT manufacturers (KDDI Foundation)


■ (3) Environmental Conservation (related SDGs:)

Targets	FY2016 Outcomes and Progress
Develop biodiversity in collaboration with stakeholders	<ul style="list-style-type: none"> Participation in Volunteer Survey of Manazuru, Kanagawa Forest Reserve of Uotsuki Environmental conservation activities with employees and their families (122 times total in Japan) <p> Green Road Project <small>Page_115</small></p>

■ (4) Social and Cultural Support (related SDGs:)







Targets	FY2016 Outcomes and Progress
Contribute to development of local communities	<ul style="list-style-type: none"> Support of NPO activities and fund-raising activities through KDDI's "Bridge of Hope" social contribution website <p> Bridge of Hope (Japanese)</p>
Promote cultural development in growing regions (KDDI Foundation)	<ul style="list-style-type: none"> Holding charity concerts to support education in developing countries Holding art classes in Cambodia and Myanmar Holding music classes in Cambodia Supporting local schools in Myanmar (English, art, Myanmar language)
Support the succession of traditional culture (KDDI Foundation)	<ul style="list-style-type: none"> Supporting Ty Chean's Troupe, which succeeds the traditional art of Sbaek Thom (large shadow picture play)

■ (5) Disaster Support (related SDGs:)

Targets	FY2016 Outcomes and Progress
Support quick recovery of disaster areas	<ul style="list-style-type: none"> Fund-raising through KDDI's "Bridge of Hope" social contribution website Supporting Internet connectivity in disaster areas Volunteer activities to support disaster areas (Kumamoto) <p> Bridge of Hope (Japanese)</p>

Policy KDDI

KPI for Social Contribution Activity

Category	KPI	Material Issue	Related SDGs
Strengthening large-scale disaster response measures	<ul style="list-style-type: none"> Holding company-wide training twice a year Split into 10 blocks throughout Japan and hold disaster drills in each block centered around the main branches that unify the blocks once a year 	Governance	
Sound development of youth, bridging the digital divide and improving ICT literacy	<ul style="list-style-type: none"> KDDI Smartphone and Mobile Phone Safety Classes for juniors: <ul style="list-style-type: none"> Instructor satisfaction: 94% Material satisfaction: 94% Intention to reapply: 92% KDDI Smartphone and Mobile Phone Safety Classes for seniors: <ul style="list-style-type: none"> Comprehension: 83% Utilization: 85% 	Society	 
Measures aimed at regional revitalization	<ul style="list-style-type: none"> Shimamono Project (Shimamono Lab) More than 1 area per year 	Society	
Promote biodiversity conservation	<ul style="list-style-type: none"> Environmental conservation activities in various locations in Japan: More than 80 times per year 	Environment	 

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Policy and Results

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Local Collaboration Initiatives

■ Approach

Japan is facing many issues, including long-term population decline and the decrease in economic activity of provincial areas due to population concentration to metropolitan areas.

KDDI has contributed to the development of Japanese society. We consider the decline in population and industry in provincial cities to be major issues by constructing a stable telecommunications infrastructure.

■ Approach to Local Collaboration

KDDI promotes local collaboration initiatives from the following two viewpoints.

<As a Leader of Local Economy>

KDDI utilizes various advanced technologies and knowhow from our partner companies to support unique initiatives with local characteristics in conjunction with our many stakeholders, including local governments, companies, NPOs, and residents.

<As a Life Design Company Close to Our Customers>

KDDI utilizes advanced technologies such as big data, ICT, and IoT, to express the appeal of products and services to various locations in Japan, and aim for the revitalization of local economies by revitalizing the flow of people and things in Japan with our partner companies.

■ Case study: Aiming for Revitalization of Remote Island Regions with the Shimamono Project

There are approximately 420 so-called occupied remote islands in

Japan, which face a variety of challenges, including out flow of young generation and population decline, strengthening island promotion and creation of value, and measures for distribution and sales activities.


In order to support remote island regions, KDDI has utilized our resources to carry out the "Shimamono Project" to distribute information about those regions and support company sales since FY2015.

Since starting the "Shimamono Project", it has contributed to remote island companies and regional vitalization, including sales of remote island companies in "au WALLET Market" increasing approximately 10%. Since FY2016, we have also carried out the "Shimamono Lab" to teach sales basics through online classes with the objective of supporting remote island companies that have challenges with expanding sales channels and product PR.

■ Shimamono Project

Starting Year	Initiative	Details of Initiatives	Performance
2015	Shimamono Marche	<ul style="list-style-type: none"> Selling remote island company products on au WALLET Market 	19 islands, 24 products (performance as of June 2017)
2016	Shimamono Labo	<ul style="list-style-type: none"> Online classes for marketing analysis that utilize "au Smart Pass" product monitor for remote island companies that have challenges with market growth and product PR Sales education support for selling products on "au WALLET Market" 	FY2016 Kikajima, Kagoshima <ul style="list-style-type: none"> Shimamono Lab participation (6 companies, 12 people) Number of selling products on "au WALLET Market": 3 companies

■ Major Local Collaboration Initiatives (Performance)

Local Government	Details of Initiatives
Toyooka, Hyogo	<ul style="list-style-type: none"> Promotion of tourism marketing utilizing big data Selling specialty products utilizing au WALLET Market
Shirakawa, Gifu	Established a structure for suggesting customers by utilizing "au Smart Pass" coupons and providing a communication environment that corresponds to inbound demands
Higashi-Matsushima, Miyagi	Started smart fishing model business collecting data using underwater cameras and Smart-V to achieve stable and efficient fishing <div style="border: 1px solid gray; padding: 5px; margin-top: 5px;">  Link Website Smart Fishing Trial Service (Japanese) </div>
Manazuru, Kanagawa	Held a vegetation survey in Forest Reserve with Fish utilizing KDDI tablets and solution services

Policy and Results

KDDI

Locally Rooted Initiatives

■ Approach

As a corporate citizen, KDDI makes efforts to contribute to society by matching the needs specific to a region we operate in.

■ Systems

KDDI appoints divisions and representatives assigned to promote communication with local communities in all branches in Japan. Assigned divisions and representatives establish opportunities to hold dialogue with local parties.

Taking the opinions acquired from local communities, we consult with the related department in our company in accordance its contents and respond sincerely to the opinions.

Furthermore, the initiatives for each region are made available

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to throughout the company using the KDDI intranet and other information sharing systems.

Activity: KDDI Oyama Network Center Open House

As a show of appreciation to our customers, KDDI opens the Network Center to the general public, including neighboring residents.

In FY2017, in order to promote deeper understanding of KDDI's initiatives in local residents, we held tours of the facilities and exhibited drones in the center.

- Number of visitors: 3,900
- Satisfaction: 94%

Locally Rooted Initiatives

[Link](#) Page_26 KDDI Smartphone and Mobile Phone Safety Classes

[Link](#) Page_115 Environmental Conservation Activities by Employees

Activity and Policy

KDDI

Action for Reconstruction Support

Support to Kumamoto Earthquake Disaster Area

(1) Providing aid	<ul style="list-style-type: none"> • Provision of drinking water: 500 mLx24,768 bottles • Provision of blue sheets: 700 • Provision of antiseptics: 1 Lx10 containers
(2) Volunteer activities in disaster areas	<ul style="list-style-type: none"> • FY2016 performance: 100 KDDI employees participated
(3) Other support activities	<ul style="list-style-type: none"> • Implementation of reconstruction support Marche • Invited elementary school children from the Kumamoto disaster area and their parents to the Yamaguchi Technology Maintenance Center (28 families, 64 members total)

Support to Great East Japan Earthquake Disaster Area

Initiatives through loans to disaster area local governments	<p>The Reconstruction Support Office (currently: Regional Creation Support Office), which was formed mainly of natives to the Tohoku region, loans workers to the Reconstruction Agency and various disaster area local governments, utilizing KDDI's extensive ICT knowhow to work with local governments and residents to promote new town development</p>
Reconstruction support activities in disaster areas	<ul style="list-style-type: none"> • Special support for the reconstruction concert (Sendai, Miyagi) <ul style="list-style-type: none"> Link Website ~Connecting Hearts, Connecting Power~ A Reconstruction Concert Made Together (Japanese) • Assistance for fishing activities using IoT (Fukushima Prefecture) <ul style="list-style-type: none"> Link Website Don't Rely on Intuition or Experience! "Smart Fishing" Utilizing Ocean Big Data Starts (Japanese) • Comprehensive partnership agreement for regional revitalization <ul style="list-style-type: none"> Link Website Comprehensive Partnership Agreement with Fukushima Prefecture and KDDI (Japanese)

Support Activities in FY2016

- April 15: 2016 Kumamoto Earthquake Reconstruction Support Efforts
- August 31: Support in aftermath of Typhoon No. 10 (Hokkaido, Iwate Prefecture)
- October 21: 2016 Central Tottori Earthquake Reconstruction Support Efforts
- December 22: 2016 Itogawa, Niigata Large-Scale Fire Reconstruction Support Efforts

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Status of Social Contribution Activities

KDDI is a member of the 1% Club established by the Keidanren Japan Business Federation. The status of our activities in FY2016 are as follows.

Unit: 10,000 yen

Fields of Activity	Expenses
(1) Bridging the digital divide	46,016
(2) Sound development of youth	
(3) Environmental conservation	11,897
(4) Social and cultural support	9,145
(5) Disaster support	15,803
Other	14,512

- [1] Even if they have the goal of social contribution, items such as advertising expenses and membership fees are excluded. Also, political contributions are not included in total social contribution expenditures
- [2] In-store fund-raising and employee donations are not included in total social contribution expenditures
- [3] Since the applicable activities in activity fields (1) and (2) overlap, donations and initiatives in affected areas are added together

Field	Rate	Examples of Initiatives
Philanthropic activities	32%	<ul style="list-style-type: none"> Funding affected areas through KDDI's "Bridge of Hope" social contribution website Kumamoto Earthquake reconstruction support efforts Tohoku affected areas reconstruction support efforts
Investment in local communities	68%	<ul style="list-style-type: none"> Implementing KDDI Smartphone and Mobile Phone Safety Classes Executed the Shimamono Project with the aim of vitalizing outlying island areas

- [1] Even if they have the goal of social contribution, items such as advertising expenses and membership fees are excluded. Also, political contributions are not included in total social contribution expenditures
- [2] In-store fund-raising and employee donations are not included in total social contribution expenditures

Results

KDDI

Disaster Funding (FY2016)

Source of funds: KDDI's "Bridge of Hope" social contribution website

Japan

	Total Contributions	Donated to
Earthquake in Kumamoto	60,042,200 yen	Japanese Red Cross Society Central Community Chest of Japan
Typhoon No. 10	2,117,500 yen	Japanese Red Cross Society Central Community Chest of Japan

*KDDI matches the contributions donated by customers and KDDI employees.

Overseas

	Total Contributions	Donated to
Earthquake in Ecuador	3,591,700 yen	Japanese Red Cross Society
Hurricane in Haiti	1,362,000 yen	Japanese Red Cross Society

*KDDI matches the contributions donated by customers and KDDI employees.

Performance

Usage of Volunteer Leave and Japan Overseas Cooperation Volunteers (JOCV) (KDDI)

		FY2012	FY2013	FY2014	FY2015	FY2016
Volunteer leave	Unit: Number of persons required	23	8	31	16	20
JOCV*	Unit: Number of persons dispatched	1	2	2	2	1

*The number of JICA volunteers (Japan Overseas Cooperation Volunteers System) is equal to the number of KDDI employees dispatched to JICA in each fiscal year