



INTEGRATED REPORT

2024



KYOCERA Corporation

Editorial Policy

Reference guidelines, etc.

This report has been prepared in reference to the International Integrated Reporting Framework published by the IFRS Foundation and the Guidance for Collaborative Value Creation formulated by Japan's Ministry of Economy, Trade and Industry. Information related to ESG is disclosed in reference to GRI¹ Standards. Further, by following guidelines of the Sustainability Accounting Standards Board (SASB), we strive for transparency in the disclosure of information related to sustainability.

Note 1: Global Reporting Initiative Guidance for Collaborative Value Creation



Scope of the Report

Reporting Period : April 1, 2023 to March 31, 2024

(Data outside of this period is provided where it is appropriate to report based on past or recent data or activities.)

Target Organization: The Kyocera Group

(Whenever the target organization differs, it is so specified.)

Indication of Company:

The Company is indicated in this report as follows:

Kyocera, the Company: KYOCERA Corporation

The Kyocera Group, the Group: KYOCERA Corporation and its consolidated subsidiaries

Group companies: consolidated subsidiaries

Cautionary statements with respect to forward-looking statements

Certain statements made in this report are forward-looking statements, which are based on our current assumptions and beliefs in light of the information currently available to us. These forward-looking statements involve known and unknown risks, uncertainties and other factors. These risks, uncertainties and other factors, our actual results, performance, achievements or financial condition may be substantially different from any future results, performance, achievements or financial condition expressed or implied by these forward-looking statements. We undertake no obligation to publicly update any forward-looking statements included in this report.

Indication

- The amounts and percentages (%) in this report are rounded to the nearest unit. Percentages are computed from amounts expressed in millions of yen, rounded to the nearest million.
- The Kyocera Group has adopted the International Financial Reporting Standards (IFRS). Note that detailed information is published on our website under "Investor Relations" and "Sustainability."

Third-party Assurance

To further ensure credibility, this report underwent third-party review by LRQA Limited. Indicators that have undergone third-party review are denoted by the checkmark icon (✓).

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Greetings



Chairman of the Board and
Representative Director,

Goro Yamaguchi

President and Representative
Director,

H. Tanimoto

Thank you very much for your support of the Kyocera Group.

Since the founding of the company in 1959, Kyocera has expanded under its unique Management Rationale: “To provide opportunities for the material and intellectual growth of all employees, and through joint effort, contribute to the advancement of society and humankind.”

In the fiscal year ended March 2023, sales and profit by Kyocera decreased compared to the previous year because of stagnation in demand for major products. While the environment surrounding Kyocera has become challenging, the company has focused on business selection and concentration, active investment, and the promotion of human resources and capital strategies as Kyocera continues to strengthen corporate governance. From the second half of the fiscal year ending March 2024, Kyocera expects a recovery in the semiconductor- and information technology-related markets and anticipates increased demand for the company’s principal products. Kyocera will strive to firmly seize these business opportunities as the company aims for further business growth and the further strengthening of the management foundation.

We publish this Integrated Report to inform stakeholders of our efforts to address societal needs through our business activities. Our overarching goal is to raise the value of our contributions to society by conducting business in a more sustainable manner.

By outlining our basic initiatives for growth, as well as the potential benefit such initiatives create for society, we hope to share our values with you, and further our role as a socially responsible enterprise. We hope this report will be helpful to you in understanding our company.

Corporate Motto, Management Rationale, Management Philosophy

Corporate Motto

敬天愛人

“Respect the Divine and Love People”

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

Management Rationale ▶ P.4

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 ▶ P.5

Living Together. 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.

Our Wish

In 1959, Kyocera started as a small sub-urban factory with no money, credentials, or reputation—just the fine ceramic technology that had been developed by Kazuo Inamori, the founder of Kyocera.



Founder
Kazuo Inamori

Adhering to the basic principles of doing what is right as a human being and working for the benefit of society and people, Kyocera has grown into one of the world's top ceramic manufacturers by expanding its business in multiple directions. Passing down the spirit of altruism and the courage to take on challenges that our founder embodied throughout his life, Kyocera continues to take on new challenges as part of its contribution to realizing a better society where everyone is able to enjoy a happy, comfortable life.

In addition, we must keep in mind the importance of living in harmony with nature. This is the concept of coexistence. All living things on Earth are mutually dependent, and this is no different for human society. We must work together by helping and sharing with one another to achieve growth. This will also continue to be an important component of business management demanded by society in the future..

The Kyocera Group aims to promote a business that strives for harmony with all life based on the concept of Living Together.

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”

Based on our Management Rationale as well as the Kyocera Philosophy, all group employees pursue business activities that satisfy the needs of customers and society.

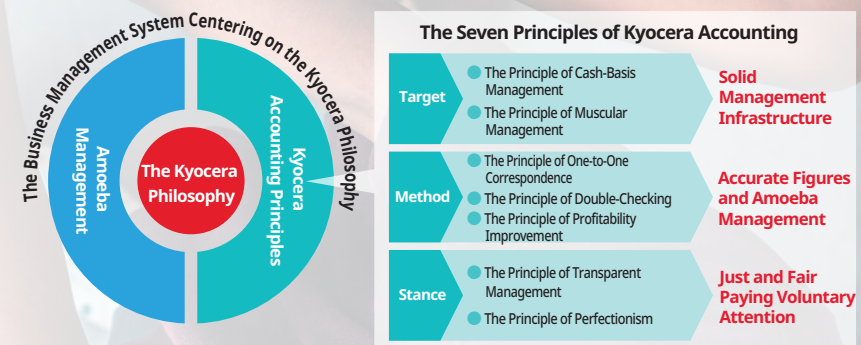
The Kyocera Group’s management approach springs from the Management Rationale propounded by our founder, Kazuo Inamori. Employees are urged to keep the essence of this statement in mind while taking on new challenges to develop products and services that serve the emerging needs of our customers and society.

As a guideline for achieving the Management Rationale, we share with all employees the Kyocera Philosophy, which encompasses the following:

- **The code of conduct that constitutes the company's standards**
- **The attitude that is necessary for the company to achieve its goals and objectives**
- **Principles that can help create a wonderful corporate character**
- **The compass for decision-making, work, and leadership as human beings**

Based on this philosophy, Kyocera Corporation has pursued the concept of Management by All, since its founding empowering diverse personnel to take the initiative to play active roles in the success of the company. Kyocera has also achieved steady growth through its unique Amoeba Management, system, which organizes the company into small units called “Amoeba” that operate with their own P&L accounting systems linked directly to their respective markets. Furthermore, Kyocera encourages all employees to be involved in all phases of decision-making, which allows them to experience greater fulfillment and achievement in their work and to build stronger teams with the goal of pursuing a better future for society. Developing workplaces where everyone can maximize their true potential, Kyocera tries its best to make sure that all employees shine in their own unique ways and benefit from the diverse experiences of others. This rich work environment provides the foundation for Kyocera’s Management by All.

Two Systems to Achieve Our Management Rationale



Management Philosophy

Living Together. 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.

The Kyocera Group conducts business based on the concept of coexistence, which is also our basic philosophy regarding the group's sustainability activities.

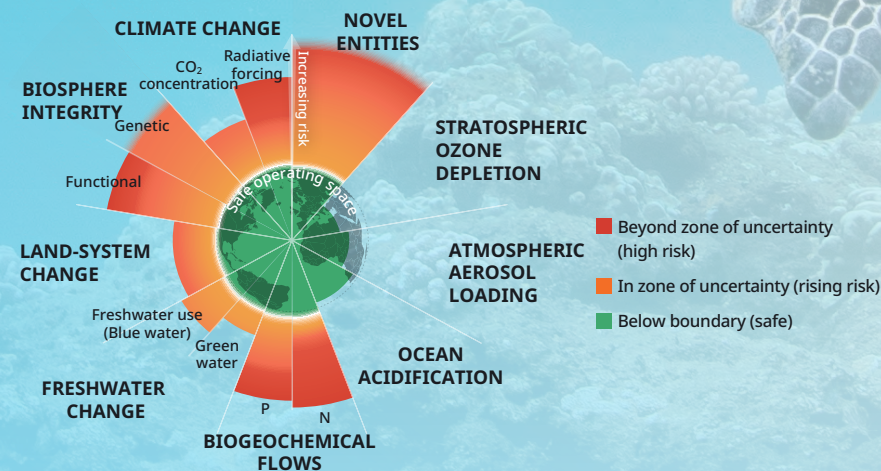
The concept of Planetary Boundaries was developed to observe the state of the Earth from nine points of view. Irreversible changes have been occurring in many of the items within the Framework of Planetary Boundaries.

Our Management Philosophy of Living Together as proposed by Kazuo Inamori, the founder of Kyocera Corporation, matches the direction in which society is attempting to move forward, such as in the areas of carbon neutrality, circular economy, and nature positive.

This philosophy has been passed down to the Kyocera Group as the basic principle regarding the sustainability activities promoted by the Group.

Kyocera has been and will continue to be engaged in corporate activities with maximum consideration for these concepts as we strive to create new businesses to address as many societal issues as possible using our technology.

Current State of the Earth Seen through the Framework of Planetary Boundaries

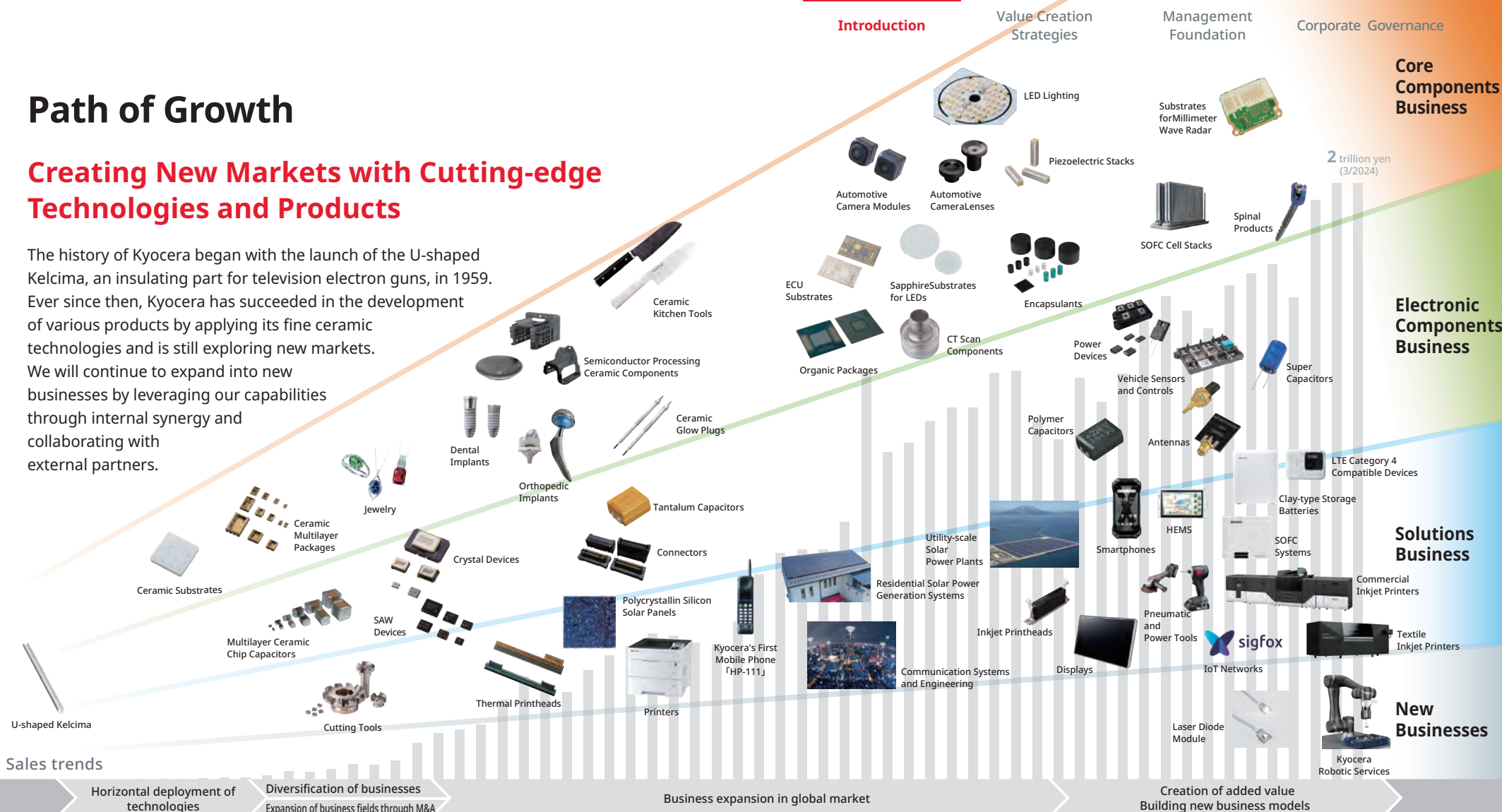


Source : Azote for Stockholm Resilience Centre, based on analysis in Richardson et al 2023

Path of Growth

Creating New Markets with Cutting-edge Technologies and Products

The history of Kyocera began with the launch of the U-shaped Kelcima, an insulating part for television electron guns, in 1959. Ever since then, Kyocera has succeeded in the development of various products by applying its fine ceramic technologies and is still exploring new markets. We will continue to expand into new businesses by leveraging our capabilities through internal synergy and collaborating with external partners.



1960

1959
Kyoto Ceramic Co., Ltd.
(now KYOCERA Corp.) founded

1969
KYOCERA International, Inc.
is established as KYOCERA's
North American sales company

1970

1971
Feldmühle KYOCERA Europa Elektronische
Bauelemente GmbH is established in
cooperation with Feldmühle AG in Germany

1975
Japan Solar Energy Corp. (JSEC) is established
and begins development of solar cells

1979
KYOCERA invests capital in Cybernet
Electronics Corp.

1980

1984
Daini-Denden Kikaku Co., Ltd. is established.
Current: KDDI Corporation

1989
Elco Corp. joins the Kyocera Group

1990

1990
AVX Corp. joins the Kyocera Group

1995
KYOCERA Communication Systems Co.,
Ltd. is established

1999
Kyocera acquires the mobile phone
business of Qualcomm, U.S.A.

2000

2000
Mita Corporation joins the Kyocera Group.

2003
• Kinseki, Ltd. becomes a wholly owned
subsidiary of Kyocera Corporation.
• Kyocera SLC Technologies
Corporation is established

2010

2010
Kyocera acquires the TFT liquid crystal display
business at the Yasu facility of Sony Mobile
Display Corporation

2011
KYOCERA Vietnam Management Company
Limited is established in Vietnam

2018
Kyocera acquires the power tools business of
Ryobi Limited and KYOCERA Industrial Tools Corp.
is established

2020

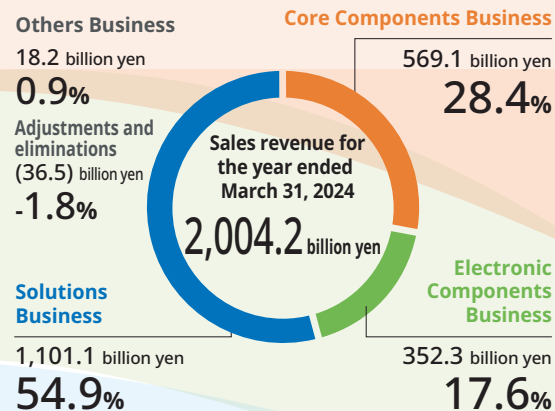
2020
AVX Corporation becomes a wholly-owned
subsidiary

2021
Soraa Laser Diode, Inc. (United States) joins
the Kyocera Group.

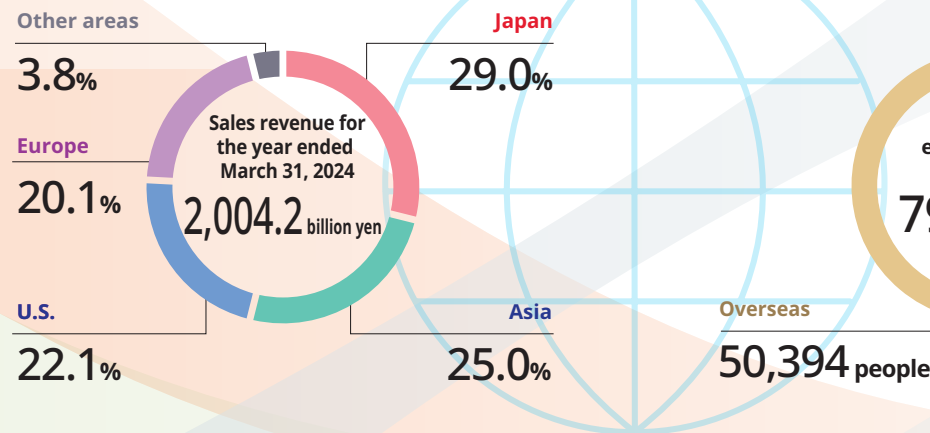
At a Glance

—Current State of the Kyocera Group—

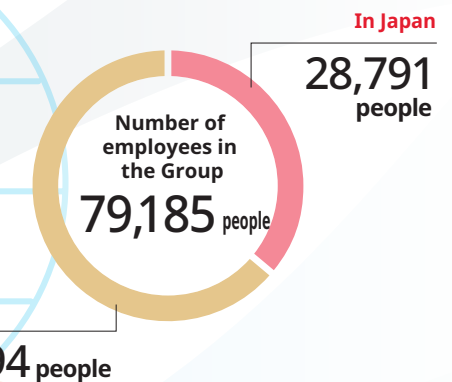
Sales Ratio by Reporting Segment



Sales Ratio by Region



Number of employees in the Group³



Pre-tax profit



136.1 billion yen

Earnings per share



71.6 yen

Ratio of Male/Female Employees Taking Childcare Leave^{1,2}



30.7%



100%

GHG Emissions (Scope 1, 2⁴)



799,000
t-CO₂

GHG Emissions (Scope 1, 2, 3⁵)



4,675,000
t-CO₂

Female Directors Ratio^{2,6} (2/10 directors)



Outside Directors Ratio^{2,6} (4/10 directors)



Female Managers Ratio¹ (161/3,054 employees)



Note 1: Kyocera Corporation

Note 2: Number of Male Employees Taking Childcare Leave During the Period/ Number of Male Employees Whose Spouses Gave Birth
Number of Female Employees Taking Childcare Leave During the Period/ Number of Female Employees Who Gave Birth During the Period

Note 3: As of June 25, 2024

Note 4: Scope1 Direct emissions associated with fuel consumption and production processes, Scope2 Indirect emissions associated with consumption of power or heat purchased from outside.

Note 5: Indirect emissions other than Scope 1 or 2 (Including procurement of raw materials, transport, use and disposal of products, as well as employee commuting and business trips)

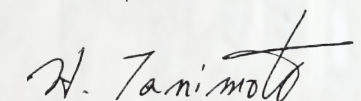
Note 6: Excluding the equity-method affiliates and companies accounted for using the equity method.

TOP Message

The Kyocera Group continuously strives to enhance its management infrastructure as part of its ongoing efforts to increase corporate value and provide solutions to the challenges that face society.

Over the more than 60 years since the foundation of the company, the Kyocera Group has expanded its business and supported developments in society through the Kyocera Philosophy of providing opportunities for the material and intellectual growth of all employees while, at the same time, contributing through our joint efforts to the advancement of society and humankind. Today, we find ourselves in a time of significant global-level changes — changes in the climate, the socioeconomic environment, and geopolitical stability. In the face of such changes, Kyocera must create businesses capable of addressing the issues that have arisen as a result of advances in digitalization and the sophistication of social and industrial structures through progress in AI technology. In May of 2023, in recognition of the need to create medium to long-term plans for investment in facilities and human capital, as well as annual plans that respond to significant environmental changes while ensuring further growth, Kyocera established the Medium-Term Management Plan and set new management goals. In order to accelerate the speed of growth and achieve the set goals, Kyocera practices a Management by All approach which allows all employees to experience greater fulfillment and achievement in their work. Moreover, Kyocera improved its unique Amoeba Management system, a system designed to ensure that the Group keeps pace with the times and its business scale. Through the implementation of the Medium-Term Management Plan, Kyocera remains committed to the further improvement of corporate value by offering solutions to problems facing the society that we serve.

President and Representative Director,



TOP Message

Review of FY2024

As a result of the rapid changes affecting the business environment in which we operate, the semiconductor-related business experienced a contraction for the first time in several years; however, AI markets are expected to undergo significant expansion, and we will continue to closely monitor any movement in this important area.

Looking back over the business results of FY2024, the semiconductor and information communication markets showed no recovery, although the automotive-related market showed an increase in the number of orders received. This lack of recovery was caused by a decrease in sales following a drop in orders for major products in the core component and electronic parts segments. In addition, despite continuing active capital investment in anticipation of future expansion in production, profits decreased as a result of a slowdown in the production facility operation rate and an increase in labor costs.

The semiconductor-related business contracted for the first time in several years, and this created an extremely challenging situation. However, full-scale use of AI technology has begun, and we expect AI-related business to grow as a result. Kyocera is also considering optimal applications of AI technology. Changes in the business environment have accelerated rapidly as both markets and technology experienced significant changes and impressive progress. The expectation is that demand for memory devices and a range of other products in the AI-related market will grow significantly; therefore, we will continue to pay close attention to the movement in this area in order to anticipate and take full advantage of any opportunities it presents.

Looking at the international scene, the conflict in Ukraine has become prolonged, and the situation in the Middle East continues unchanged. Increased energy prices continue to have a significant effect on the global economy. In addition, recent strains in US-China relations have impacted the business environment. Because of increased customs duties on document devices produced in China, Kyocera moved its production base for some products to Vietnam, and the production base for onboard cameras was moved to Thailand to mitigate risk. Furthermore, since economic growth in China has slowed because of restrictions on the export of semiconductors to China, sales of such devices have shrunk. The company continues to focus on parts for machinery tools, printing devices, and displays—items that are in steady demand in the Chinese market.

Interpreting and Practic- ing Kyocera's Management Philosophy

We must adapt the structure of the business to fully interpret and put into practice the Kyocera Philosophy.

Since its founding, the Kyocera Group has followed the fundamental principle of doing what is right as a human being. This forms the core concept underlying Kyocera's 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. This philosophy is shared among employees; however, thorough understanding and practical application of the spirit of the Kyocera Philosophy remains a challenge.

Since the Kyocera Philosophy is deeply rooted in the Group, management understands the tendency to avoid change. There is no need to change the focus on how personnel should live to benefit society and humankind; however, specific attitudes toward work and the attitudes of devoting oneself to working more than anyone else may require reconsideration in order to better fit the changing circumstances.

Maintaining a competitive spirit in business is, of course, essential. However, times have changed from the days when we could achieve positive results simply by putting in more effort than anyone else. It is now necessary to select a flexible structure that matches the current needs rather than merely adhering to conventional thinking and methods. An example of this might be the need to achieve results in a specific area within a short period of time by concentrating efforts as a short-term priority. Not doing so increases the risk of misinterpreting the spirit of the Kyocera Philosophy. Striving to establish this balance and understanding the true meaning of the Kyocera Philosophy means that we will revise the interpretation as needed and pass it down to the next generation of employees.

Expanding solution-type businesses that benefit society

Pursuing the creation of new electric service business models utilizing solar and fuel cells along with storage batteries to address energy and other needs.

Along with recent trends, the need for technologies and services capable of providing solutions for a wide range of needs has grown, such as decarbonization to combat climate change and the

TOP Message



automation of production functions to address a declining workforce. Among these needs, the environment is the number one priority for the company. Japan, in particular, faces energy issues, and Kyocera has made it a priority to provide effective solutions. We are promoting the shift to renewable energy to achieve decarbonization through the implementation of solar power systems at production facilities. In addition, Kyocera has been working on the creation of new electric services utilizing solar and fuel cells in combination with storage batteries to reduce greenhouse gas emissions in individual regions throughout the country.

Kyocera continues to promote

energy saving in semiconductor-related products. Increasing energy consumption is a pressing global issue at data centers. Estimates are that future implementation of AI technology at data centers will require a ten-fold increase in energy use over current requirements. To help address this issue, Kyocera joined the Development of Next-Generation Green Data Center Technology Project for Next-Generation Digital Infrastructure Construction as part of the Green Innovation Fund Project hosted by the New Energy and Industrial Technology Development Organization (NEDO). Kyocera's focus within this large-scale endeavor is the development of optoelectronic technology. Since onboard camera sensors can help reduce traffic accidents and road congestion, Kyocera is working on the development of millimeter wave sensors. The potential application of millimeter wave sensors is broad, and they are expected to find extensive use in the monitoring of infrastructure damage.

In regard to new business, Kyocera developed the FOREARTH textile inkjet printer. The tex-

tile and apparel industries use tremendous volumes of water in the printing process, which leads to serious water pollution. FOREARTH minimizes water use and alleviates the need for conventional large pre- and post-treatment equipment and steamers. This results in a significant reduction in energy consumption and CO₂ emissions. Through the development of innovative products and services that reduce consumption and pollution, Kyocera contributes to the realization of a sustainable society. From its beginning as a ceramic parts manufacturer, Kyocera has evolved into a solutions provider, and the company will continue to make advances in meaningful research and development with its sights set on providing effective pathways to sustainability.

With regard to resource circulation, the time has passed when manufacturers gave little thought to waste. The Electronic Components segment uses a large amount of PET film when manufacturing condensers, and Kyocera is now working on reusing containers for copy machine toner. The recycling of tungsten, a rare metal used in machining tools, is now being implemented, and momentum for tungsten recycling has rapidly increased throughout the industry. Kyocera will continue to cooperate with other companies to promote collaborative approaches to creating and maintaining a workable circular economy.

Strengthening our management foundation

Kyocera aims to ensure a strong management foundation by enhancing human capital and promoting digital transformation (DX) as it pursues investment in priority items.

● Promoting diversity and improving employee engagement

To set medium-term management goals and clarify the required measures, the Kyocera Group established a Medium-Term Management Plan for the period between March 2024 and March 2026. The Group is strengthening the management foundation based on this plan while prioritizing the improvement of employee engagement through the creation of comfortable work environments and the implementation of recruitment strategies to enhance human capital. As a fundamental principle of recruitment, the Group ensures the human resources needed to achieve the Medium-term Management Plan while maintaining a balance between new and mid-career recruitment to ensure diversity. The Kyocera Group also revised its retirement system to allow qualified employees the option of continuing to work until the age of 70. Along with this, Kyocera continues to provide advancement opportunities for employees in their 60s. These opportunities include re-skilling to enable employees to expand their skills beyond their current specializations.

TOP Message

Kyocera is working on a wide range of projects to create comfortable working environments for employees. As a part of this, the company strives to revitalize in-house communication. Remote work has increased because of COVID-19; however, a number of employees still prefer coming into the office. To accommodate these employees, Kyocera opened a new cafeteria at the head office as a place for communication. To revitalize communication during work, the company also opened cafeterias at other plants, including the Tokyo Ome and Kagoshima Kokubu plants. This has resulted in greater interactions among employees, which in turn has contributed to a very positive effect on the atmosphere at the individual workplaces. This has been reflected in responses to the weekly Workplace Assessment Survey targeting all employees as a part of the communication enhancement initiative, with results showing a clear improvement in internal communication every year. Despite this positive trend, however, the hoped-for increase in employee motivation has been elusive, with junior employees reporting a slight sense of dissatisfaction. While there are varying options for remote work and a flex system at the head office as well as branch and sales offices, employees at plants must be physically present. In an attempt to mitigate this disparity in workstyle options, Kyocera is applying a smart factory concept that makes it possible to reduce the number of employees required to monitor operations at night from a full crew to just one or two employees. The company must make adjustments to ensure that everyone can enjoy a comfortable work environment. Through such forward-thinking reforms, Kyocera works to improve employee satisfaction.

With regard to diversity, equity, and inclusion (DEI), Kyocera Corporation increased the number of women executive officers to three, an increase of one from the previous year. The number of women outside directors also increased from one to two, and one of the two outside auditors is now a woman. Kyocera is further increasing the number of promotions for women. In order to expand the diversity of ideas throughout the Group, Kyocera has been increasing the rate of female employees. The ratio of male employees taking childcare leave has exceeded 30%, and the company is looking to increase this to 50% by FY2026. In order to ensure diversity at the global level, Kyocera has exchanged human resources with Group companies in the United States and Europe and assigned overseas staff to executive officer and division manager positions. Kyocera is also hoping to increase diversity by eventually having more individuals from overseas serving on its Board of Directors.

● Effective use of AI and promotion of DX

To promote Digital Transformation (DX), the company completed the installation of a smart factory system into the storage battery line at the Shigayasu plant. This new technology will be implemented at all future plants and phased into existing plants. The New Robotics Segment is now in operation, and this segment's technology is shared by companies throughout the Group to promote DX. Furthermore, Kyocera now provides smartphones to all employees for more effective sharing of information, an approach also designed to accelerate digitalization. In the Corporate Division, the company is unifying time and monthly balance management across individual divisions to improve productivity and the integration of organizations. The advantage of such allied divisions is that they are being used to further promote the implementation and use of AI technology across the Group. AI-related markets are expected to expand, and along with this expansion, the semiconductor-related market is expected to gradually recover. Along with the increased use of AI in factories, Kyocera requires an increasing number of human resources capable of handling the robots used in the manufacturing process. The advancement of technology and changes in the business environment over time in all industries are givens; therefore, it is impossible to assume that employees entering the company will continue doing the same work throughout their careers. For this reason, Kyocera considers it essential to ensure career mobility and ease of flow among in-house work assignments.

● Investment with a clear focus on priorities

Sluggish business performance in FY2024 led to the decision to temporarily postpone capital investment and R&D until the second half of FY2025. With a focus on priority items, Kyocera implemented R&D while selectively allocating management resources to infrastructure-related businesses, such as the high-efficiency GaN laser, whose low energy consumption will bring the company closer to the realization of a low-carbon society, and infrastructure-related businesses supporting millimeter wave communications for 5G networks that are expected to be implemented in Japan in the future. Another focus of Kyocera is on M&A strategies for companies determined to have potential synergies with our future vision. Looking toward heightened collaboration, the company established a corporate venture capital fund to further accelerate our open innovation initiatives and to reinforce support to facilitate the search for startups with a focus on investments in exciting newcomers in Japan, Asia, the United States, and Europe in areas

TOP Message

that have high future potential for the company. Areas of focus include environment and energy, information communication, healthcare, mobility, material technology, AI and software, aviation, aerospace and defense, semiconductors, and nuclear fusion.

Strengthening our corporate governance

Kyocera strives to ensure diversity on its Board of Directors and improve the effectiveness of the decision-making function with the goal of improving corporate value.

In order to enhance corporate governance and increase corporate value, Kyocera strives to ensure diversity on its Board of Directors while improving the effectiveness of the decision-making function. In-depth discussions and decisions regarding medium to long-term business and capital strategies are a major function of the Board of Directors. Kyocera includes outside directors with corporate management experience with the goal of enhancing the content and quality of discussions that result in decisions that set the direction of the company as part of its efforts to improve the effectiveness of this important function. Although the Board has traditionally devoted significant time to a wide range of capital investments, the directors recently shifted the focus to concentrate on relatively large-scale proposals to allow more time for discussion and decisions relating to Group governance and the medium to long-term direction of the business. The Board is now able, for example, to devote more time to decision-making regarding the governance of overseas subsidiaries based on reports submitted by the Global Audit Team and engage in detailed discussions of the medium to long-term Management Plan, including such important aspects of the plan as semiconductor development. This shift in focus has resulted in a significant improvement in the effectiveness of the Board. As mentioned in the DEI section, another female outside director was assigned in FY2025, and the company looks forward to her fresh perspective and unique proposals.

The Digital Business Promotion Group handles approaches to cybersecurity in line with the enhancement of risk management. Kyocera is highly cognizant of its responsibility to ensure the security of the Group network, which includes more than 100 overseas affiliates and partners.

To all stakeholders

Kyocera continues to place emphasis on building and maintaining favorable relationships with all stakeholders based on the principle that employees are the source of Kyocera's strength.

The company also prioritizes communication as it strives to ensure open and positive relationships with all stakeholders—shareholders, investors, clients, suppliers, and employees.

In March 2024, the Japan Fair Trade Commission announced the results of its investigation into the abuse of the superior bargaining position in relation to the practice of passing on cost increases as a potential violation of the Antimonopoly Act. Kyocera Corporation was cited in the report along with other companies that may have failed to provide suppliers with sufficient opportunities to discuss pricing unless they had specifically requested adjustments. The Fair Trade Commission issued guidance to Kyocera directing it to communicate more thoroughly with suppliers. Although Kyocera has never violated either the Antimonopoly or Subcontract Acts and has always responded sincerely to requests for price adjustments from suppliers, the company redoubled its commitment to maintaining partnerships based on mutual trust in order to ensure appropriate pricing decisions through better communication. Kyocera is also committed to ensuring that all employees enjoy fair treatment in all aspects of employment, including wages. As part of the response to deflation and increasing commodity prices, the company is developing appropriate systems and structures to maintain a virtuous cycle to optimize pricing decisions with suppliers and ensure fair treatment of employees.

Kyocera believes that declining profit margins are one reason behind the failure of stock prices to rise. In response, the company is taking action to improve profits and provide a better return to shareholders. Kyocera is now in the process of reviewing the Group's target of 2.5 trillion yen in annual sales and 350 billion yen in pretax profit and will report the measures to be implemented to achieve these targets.

Kyocera Corporation's founder, Kazuo Inamori, devoted himself to building a world-class company. Continuing the founder's work, we have made a commitment to ensure the continued sustainable growth and success of the company. Based on the principle that employees are the source of Kyocera's strength, I made it my mission to ensure that everyone at Kyocera is able to derive satisfaction through a deep sense of fulfillment and accomplishment in their work. I look forward to your continuing support as we move together into the future.

Addressing Priorities (Materiality)

The Kyocera Group continually assesses social conditions, global trends, and stakeholder concerns for discussion with our Sustainability Committee. Priorities are addressed at semiannual International Management Meetings, which are attended by the leaders of our global operations. Issues of materiality identified through this process are reported to the Board of Directors.

Materiality	● Risk / ○ Opportunity	Targets (◆) and Initiatives (✦)	Achievements by FY2024	Detail page
Contributing to Society Through Our Business	Further growth through new segment structure	◆ Achieving 2.5 trillion yen in sales revenue, medium-term target • Focusing on semiconductor markets • Expanding market share by maximizing synergies between Kyocera and KYOCERA AVX • Focusing on capacitors, timing devices, and connectors • Expanding business through strategic initiatives • Creating new businesses to address societal needs	• Achieved 2.0042 trillion yen during the year ended March 31, 2024 • Continued working on strategic activities in priority areas • Performed cross-selling activities utilizing comprehensive capabilities • Integrated Kyocera's production technology and Kyocera AVX's design capabilities and developed ceramic condensers and other new products utilizing Kyocera's patent technologies • Strengthened management infrastructure through Group-wide project activities • Growth Strategy for Document Solutions • Smart Energy Structural Reform Initiatives	• Core Components Business ▶ P.18 • Electronic Components Business ▶ P.20 • Solutions Business ▶ P.22
	Aggressive investment in high-growth semiconductor-related businesses	◆ Investing up to 400 billion yen in semiconductor equipment during three-year period ending March 2026 • Increasing production of cutting-edge semiconductor fabrication and packaging components	• Used 65.8 billion yen for capital investments in the year ended March 31, 2024 • Flexibly responded to market changes and made approaches along with long-term prospects	• Core Components Business ▶ P.18
	Improving productivity through digitalization	◆ Improving employee proficiency in digitalization through onsite education, training and practice • Implementing education and training by position and function for a digitalization-savvy workforce • Reviewing business processes to create in-house digitalization and AI platforms • Expanding business by combining sales and market information • Enhancing manufacturing with IoT data and automation	• Cultivated human resources specialized in digital information • Actively used AI platforms • Number of participants: DX training (248), data engineering training (174), data science training (92), and no-code development (975) • Common production management system - Inventory management: Implemented by 17 divisions - Process management: Implemented by 4 divisions • Unification of sales information - All divisions implemented the system and transited into the sales process reorganization phase. • Manufacturing line automation - In the process of automating new bases and buildings	• Digitalization: Fostering New Corporate Culture (DX) ▶ P.38

	Materiality	● Risk / ○ Opportunity	Targets (◆) and Initiatives (•)	Achievements by FY2024	Detail page
Contributing to Society Through Our Business	Reinforcing R&D	○Developing business through internal R&D ●Inability to achieve expected results from newly developed technologies	◆ Achieving 3 trillion yen in sales during FY2030 • Developing technologies to advance existing businesses • Exploring future technologies • Implementing collaborative R&D between segments	• Used 104.3 billion yen for R&D for the year ended March 31, 2024 (Up 10.6% from the previous year) • Focused on approaches to the improvement of competitiveness in organic-based, multilayered packages and electronic components • Selected and concentrated on the search for future technology • Conducted demonstration experiments for 5G millimeter wave transmissions • Focused on new technology and product development through technological capabilities ensured by the reorganization of domestic R&D bases, the strengthening of human resource cultivation, and the enhancement of cooperation inside and outside the company • Promoted approaches to the establishment of new overseas R&D bases • Implemented approaches to open innovation and the creation of new business fields as well as the use of universities and other external resources	• R&D Promotion ▶ P.25 • New Business Creation ▶ P.26
	Incubating new businesses to address societal needs	○Rising global environmental awareness creates demand for new businesses ○Potential revenue from new businesses ●Inability to achieve expected results through newly established businesses	◆ Targeting new projects with 100 billion yen sales potential • Identify and develop new business opportunities that address societal needs • Expand into new growth areas and increase business scale through M&A • Commence sales of textile inkjet printers	• Began placing the products from the robotics business on the market (November 2023) • Began placing textile inkjet printers on the market • Launched the FOREARTH textile inkjet printer at ITMA 2023 in Milan, Italy	• Value Creation with Amoeba Management ▶ P.17 • Special Issue ▶ P.24
Promoting Sustainable Management	Achieving carbon neutrality	○Greater brand value through successful response to societal needs ●Higher compliance costs from new laws and regulations ●Damage to corporate brand value from inability to respond to issues	◆ GHG target (Scope 1, 2 / 1.5°C level): 46% reduction by FY2031 compared to FY2020 levels ◆ GHG target (Scope 1, 2, 3 / 1.5°C level): 46% reduction by FY2031 compared to FY2020 levels ◆ Renewable energy adoption: Increase 20X by FY2031 compared to FY2014 usage ◆ Achieving carbon neutrality by FY2051 • Promote renewable energy • Promote company-wide energy efficiency	• GHG Emissions (Scopes 1, 2): Reduced by 24% • GHG Emissions (Scopes 1, 2, 3): Reduced by 29% • Renewable Energy Implementation: Achieved 11.5 times more • Implemented renewable energy on-site and off-site • Implemented thorough energy savings with improved deodorizers • Improved efficiency by visualizing GHG emissions from production and utility equipment	• Approaches to Carbon Neutrality ▶ P.40
	Building a circular economy	○Increased profits through energy savings, conservation, and advanced recycling technologies ●Higher compliance costs from new laws and regulations	◆ Target content, post-consumer recycled materials (PCRs) used in multifunction products (MFPs) and printers enclosures and toner containers: 1% or more in 2023; 5% or more in 2024 (Limited to models to be launched) • Reusing materials and components through collection of used multifunction products (MFPs) and printers • Reducing paper use through improved packaging • Using environmental design standards for product design/development	• PCR material reused for multifunction products (MFPs) and printers enclosures and toner containers: 4% in 2023 • Continued the collection and reuse of used printer containers • Reduced paper use by improving packaging materials in the design and development of new machines • Reduced resin in packaging materials by using pulp molds • Established environmental design standards for product design and development of all multifunction products (MFPs) and printers • Discussed the reduction of waste using discarded PET film • Discussed the reuse of rare earth from the collection of fuel cells	• Contribution to Circular Economy ▶ P.44

	Materiality	● Risk / ○ Opportunity	Targets (◆) and Initiatives (○)	Achievements by FY2024	Detail page
Promoting Sustainable Management	Reinforcing human capital	○ Competitive advantages from work-force diversity ● Labor shortage due to shrinking labor pool	◆Target for management positions held by female employees¹: 8.0% by FY2026 ◆Target for eligible male employees taking childcare leave^{1,2}: 50.0% in FY2026 • Sharing Kyocera Philosophy • Employee skills development • Corporate culture promoting diversity • LGBTQ awareness/inclusivity • Developing more attractive work environment	• Management positions held by female employees: 5.3% • Male employees taking childcare leave: 30.7% • Implemented educational courses on the Kyocera Philosophy, management, technology and skill, and global processes • Provided e-learning courses on psychological safety and a questionnaire targeting all employees • Volunteers handed out special badges and stickers to individuals who took part in a cycling event • Reorganizing of headquarters and offices	• Fulfillment of Human Capital — The Kyocera Group Human Capital — ▶P.33 • Fulfillment of Human Capital — DEI Promotion — ▶P.35
	Respect for human rights	○ Enhancing brand value through successful response to societal needs ● Potential human rights issues impacting Kyocera Group or its value chains ● Damage to corporate brand value from inadequate human rights assurance measures	◆Building a human rights “due diligence” system throughout Kyocera Group by FY2026 • Identify any Kyocera Group human rights issues • Conduct fact-finding surveys of any issues • Survey guest-worker practices at Japan-based Kyocera Group companies and suppliers	• Established a human rights due diligence system • Conducted a questionnaire on specific human rights issues throughout the Kyocera Group, overseas suppliers, and out-sourced companies • Corrective action on identified human rights issues (Failure to conduct evacuation drills for foreign workers, etc.) • Implemented a supplier visit survey on the human rights of foreign labor • Revision of Kyocera Group Human Rights Policy	• Respect for Human Rights ▶P.46
	Improving stakeholder engagement	○ Improving stakeholder relationships through communication ○ Improving corporate transparency ● Damaged stakeholder relationships due to poor communication	◆Continue stakeholder communications to build trust • Reply swiftly to customers • Act on workplace survey results • Hold financial results briefings with shareholders and investors • Seminars and social events for business partners • Discuss social contribution activities with community and business partners	• Continued communication with stakeholders • Inquiries from consumers: 3,604 cases • Employee response rate to the workplace vitality assessment: 93.6% (targeting 29,781 employees) • Held briefings on financial results and provided business summaries for institutional investors (4 times) and one-on-one meetings with institutional investors (350 times) • Held company information sessions with individual investors (2 times) • Sponsored seminars and social gatherings for partner companies (with 250 participants from 215 partner companies) • Held sustainability reporting sessions for local communities (5 locations)	• Improving Stakeholder Engagement ▶P.50
	Ensuring sustainable supply chains	○ Sustainable growth by ensuring strong supply chains ● Human rights issues in supply chains ● Damage to corporate brand value from inadequate human rights assurance measures	◆Human rights and labor: Ensure 0% high-risk transaction rate through supply chain survey ◆Ethics: Ensure 0% high-risk transaction rate through supply chain survey • Identify risks faced by business partners through the supply chain survey, and implement countermeasures • Survey guest worker practices at Japan-based Kyocera Group companies and suppliers	• High-risk transaction rate regarding human rights and labor: 0% • High-risk transaction rate regarding ethics: 0% • Conducted supply chain surveys (319 companies) • Conducted surveys on foreign workers	• Supply Chain Management ▶P.51
	Reinforcing risk management	○ Enhancing risk management, and responding effectively during emergency ● Disaster impact, damage to corporate image, or prolonged business interruption, due to lack of disaster countermeasures	◆Annual BCP education and training • Create/review early recovery and alternative supply plans • Identify corporate risks and countermeasures from Risk Management Committee • Reinforce risk management processes	• BCP education and training (1 time) • Identified corporate risks • Held Risk Management Committee meetings (2 times) • Start of reporting on corporate risk to the Board of Directors	• Risk Management and Business Continuity Plan (BCP) Initiatives ▶P.52

Note 1: Kyocera Corporation

Note 2: Number of Male Employees Taking Childcare Leave During the Period/ Number of Male Employees Whose Spouses Gave Birth
Number of Female Employees Taking Childcare Leave During the Period/ Number of Female Employees Who Gave Birth During the Period

The Kyocera Group's Value Creation Model

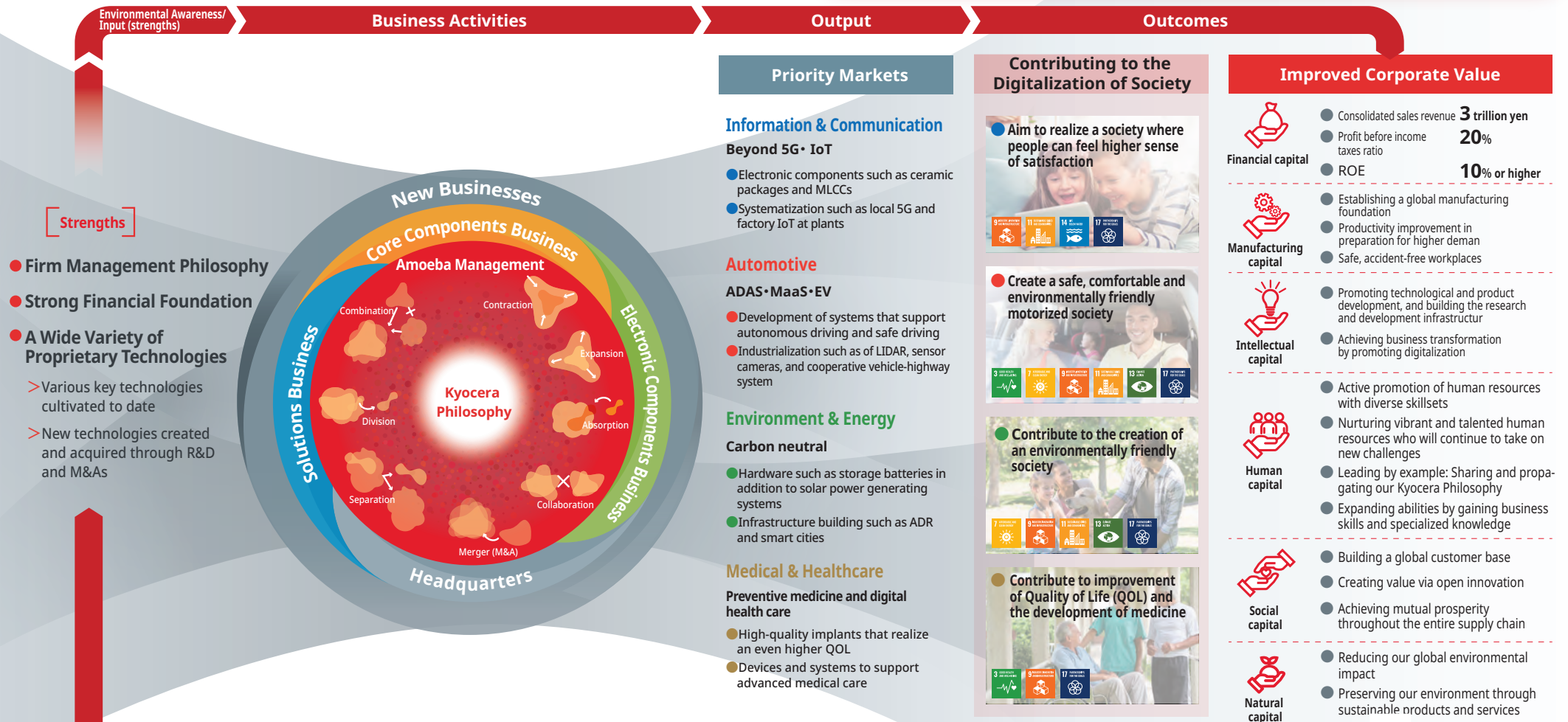
Amoeba Management, which embodies the Kyocera Philosophy, enables quicker response to demand trends and changing market conditions, thus allowing flexible adjustment to the organizational structure. As we live in a world of growing uncertainties, we will strive to flexibly respond to environmental changes like amoeba, and continue to deliver leading-edge products and create new values.

Awareness of the External Environment

- Digitalization / globalization
- Shift from “selling products” to “selling services and solutions”
- Diversification of customer needs
- Greater awareness of the environment

Realization of our Management Rationale

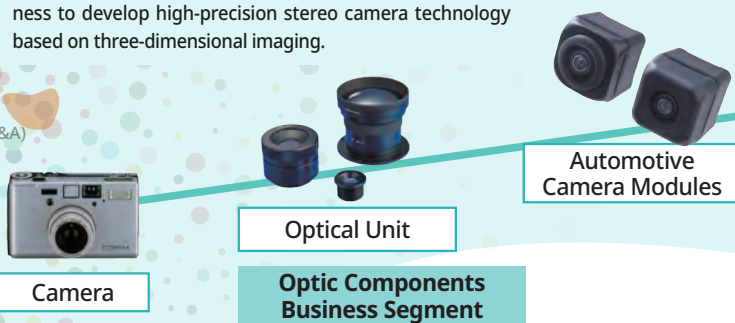
To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.



Value Creation with Amoeba Management

The essence of the Amoeba Management method is to build an organizational structure that can flexibly respond to changes in the market and society at large. While aiming to develop products and services capable of providing solutions for the many issues facing society, the Kyocera Group continues to provide new value by gathering and combining the component technology accumulated over time to create synergistic results.

The acquisition of a camera manufacturer in 1983 established Kyocera's optical component business segment. This segment held a broad range of assets from component technology used in optical lenses to design technology for assembling precision cameras. Considering the overwhelming changes in the competitive environment during the transition from film to digital cameras, Kyocera made the strategic decision in 2007 to withdraw from the consumer camera business. As part of its strategy, Kyocera integrated lens design technology and technology applied to substrates with the sophisticated technology that had been accumulated through the camera business to develop high-precision stereo camera technology based on three-dimensional imaging.



Kyocera established its printer business through the acquisition of an information communication device manufacturer in 1982. In 2000, Kyocera acquired Kyocera Mita Corporation (currently Kyocera Document Solutions Inc.) as a wholly owned subsidiary and with it multifunction products (MFPs) business. Initially, the printer business faced challenges in developing high-speed printing technology, while the MFP business faced challenges in adopting full-color imaging and digitization. By integrating the respective technologies, Kyocera succeeded in overcoming both of these major challenges to provide new products and apply the control technology accumulated to the development of other successful products.

Kyocera Communication Systems Co., Ltd.

Cloud Services

Motex Inc.

Network
SecurityCloud
Technology

In 1995, Kyocera's Management Information Business branched off to become Kyocera Communication Systems Co., Ltd. (KCCS). In 2018, Kyocera entered an agreement for equity participation in Rist and integrated KCCS security business into Motex Inc. The ICT and security services of the KCCS Group are used effectively for other products.

Rist Inc.

AI Deep
Learning
TechnologyAutomatic
OperationObject
Detection
TechnologyKyocera Robotic
Services

Kyocera Robotic Services provide solutions for labor shortages by handling irregular components, high-mix low-volume production, and precision pick-and-place tasks, which are operations that conventional robots cannot conduct without human intervention.

The system uses AI and three-dimensional vision to make collaborative robots intelligent, which enables a significant expansion of applications. Management and operations are through cloud subscriptions. Using the cloud, high-precision stereo cameras, and other technological synergy within the Kyocera Group, the system addresses labor shortages due the growing decrease in the working-age population.

The Kyocera Group continues creating new value with its Amoeba Management utilizing a wide variety of component technology accumulated over its history.

3D Vision
3D Vision
High-precision
Stereo Camera
TechnologyControl
TechnologyMultifunction Products
(MFPs) and Printers

Kyocera Document Solutions Inc.

Core Components Business



Director,
Executive General Manager of Core
Components Business, Senior General
Manager of Corporate Components
Sector QMS Promotion Group

Hiroshi Fure

Kyocera is aggressively investing in facilities that serve the semiconductor-related markets, which have potential for high medium to long-term growth, to expand production capacity and improve productivity.

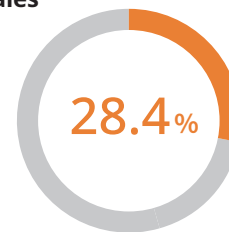
The Core Components segment comprises fine ceramic components (our founding product line), automotive components, optical components, semiconductor-related components, medical equipment, and jewelry. In semiconductor-related markets, which show strong growth potential, the company is expanding capital investments to increase production capacity and productivity while addressing the needs of society. With regard to the reinforcement of management infrastructure, Kyocera is increasing the speed of human resource cultivation and the optimization of business processes in response to common segment-wide issues that have not been sufficiently addressed by individual divisions. The company continues to cultivate a culture that encourages people to pursue their dreams as Kyocera works proactively to facilitate success and realize the goals of the management philosophy.

Business results for the year ended March 31, 2024

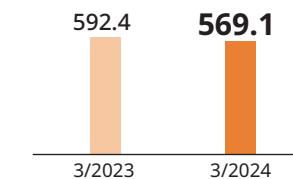
Sales decreased by 23.3 billion yen (3.9%)¹ from the previous consolidated fiscal year to 569.1 billion yen. Although sales of fine ceramic components for semiconductor manufacturing equipment increased along with a favorable increase in demand for high-end devices, inventory control along with stagnant market conditions for organic substrates used in information communication infrastructure and the ceramic packages for smartphones led to an overall decrease. Business profit decreased by 32.3 billion yen (36.0%)² from the previous consolidated fiscal year to 57.2 billion yen, and the profit ratio decreased to 10.1%. The decrease was due mainly to a decrease in organic substrate sales and increased depreciation costs.

Segment Sales Ratio, Sales Revenue, Business Profit for the Year Ended March 31, 2024

Segment Sales Ratio

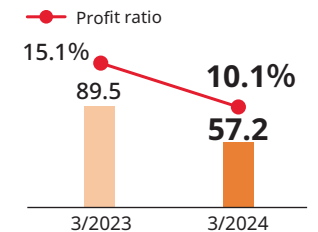


Sales Revenue (Unit: billion yen)



Note 1: March 2024/March 2023 -3.9%

Business Profit (Unit: billion yen)

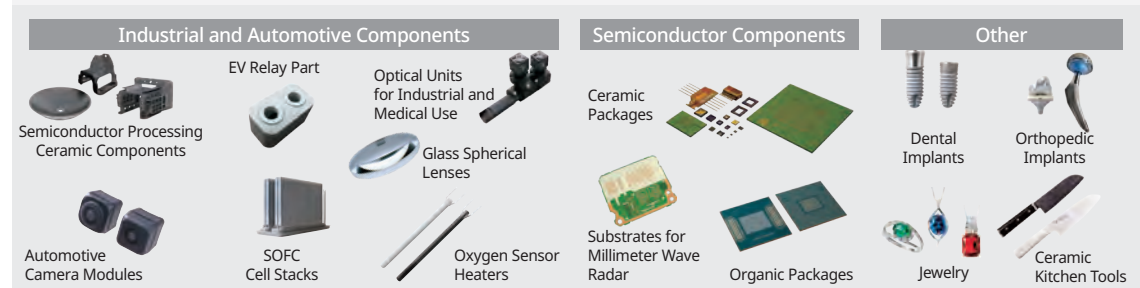


Note 2: March 2024/March 2023 -36.0%

Trend of Market and Demand

Looking at semiconductors, a major market for Kyocera, demand for innovative products is expected to increase significantly in the medium to long-term. Kyocera boasts outstanding manufacturing technology for large and multi-layered organic packages, high-level supply capability, material and processing technology for ceramic packages, precision processing, temperature uniformity and other technology, quality, and production capabilities for fine ceramic components for semiconductor manufacturing equipment. These strengths give the company the advantage of gaining and maintaining a high market share and further fortifying the ability to respond promptly to customer requirements for innovative semiconductors and other products.

Main Products



Vision

We realize the management rational by providing core products of sustainable society and creation of healthy and fulfilling life.

Priority Measures

1 Reinforcing Semiconductor-Related Market Strategy

Kyocera is aggressively increasing investment and expanding production in package substrates and fine ceramic components for semiconductor manufacturing equipment in anticipation of high medium to long-term growth in semiconductor-related markets. In addition, the company is increasing both capacity and productivity by promoting the development of smart factories through reconstruction efforts at existing plants, expanding DX, and building new factories as the company prepares for future expansion of demand.

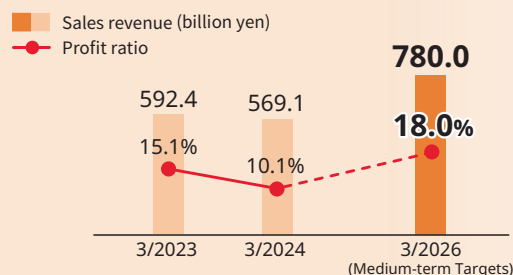
2 Enhancing Our Sustainable Business Structure

The Kyocera Group is accelerating its efforts to reduce energy consumption by modeling electricity demand at each facility and designing and deploying efficiency enhancements horizontally within each segment.

3 Human Resource Cultivation through Project Activities

The company organizes cross-departmental projects to quickly resolve urgent priorities while emphasizing skill development and employee motivation. By linking these initiatives to human resource development, Kyocera continues to build a foundation for employee advancement and growth.

Business Targets



Examples of Priority Measures

Expanding Production of Organic Package Substrates

Increasing Capacity and Improving Yield with Cutting-Edge Equipment

Kyocera is currently prioritizing the expansion of production capacity for organic package substrates, which are expected to drive growth. Demand for PCs and smartphones is currently weak, and inventories have increased at network-related customers because of deferred data-center investment. In the medium to long-term, however, demand for organic package substrates will grow to support higher-performance semiconductors required by generative AI applications, 5G communications, and automotive safety systems. In response, the company is optimizing production lines in new and existing buildings at the Kagoshima Sendai factory to increase the production of high-end large multilayer packages and substrates. Through this shift to next-generation production lines, the company will focus on high-end semiconductor production.



Conceptual drawing: New building at Kagoshima Sendai Factory

Construction of New Factories in Japan

Existing Plants Undergo Reconstruction Efforts and Further Expansion of Production Capacity

Kyocera is now planning up-front investments from the medium to long-term perspective to expand production capacity and enhance work environments. Specifically, the company will restructure existing factories and construct new buildings. It has been about 20 years since Kyocera last built an all-new factory at a new location in Japan. After studying the local transportation infrastructure, human resources, and energy costs, along with other factors, the company recently acquired land for a factory on a new industrial site in Isahaya City, Nagasaki Prefecture. Kyocera plans to manufacture fine ceramic components for semiconductor manufacturing equipment and semiconductor package substrates at the new site, which are expected to see a rise in demand. In order to begin planned production at the new factory in the fiscal year ending in March 2027, the company will start construction during this fiscal year in consideration of the time required for procurement of construction materials and to mitigate any unforeseen delays.



Conceptual drawing: New factory in Isahaya City, Nagasaki Prefecture

Electronic Components Business



By focusing on core competencies and leveraging synergies between Kyocera and Kyocera AVX, the company aims to increase market share and profitability to achieve the medium-term management goals.

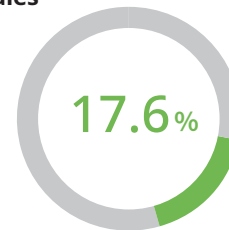
The Electronic Components segment represents a fusion between Kyocera's Japan-based Electronic Components Group and the U.S.-based global subsidiary, Kyocera AVX. In the electronic components market, which is expected to grow, the company continues to provide products and solutions that are differentiated from competitors with the objective of maintaining its advantage as an industry leader in customer support. Based on the trusting relationship between Kyocera and Kyocera AVX built up over more than 30 years of collaboration, the company will leverage its respective strengths to create synergies that provide new value to society.

Business results for the year ended March 31, 2024

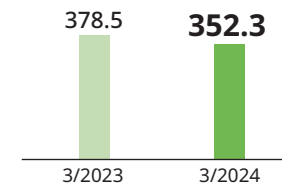
Sales decreased by 26.2 billion yen (6.9%)¹ from the previous consolidated fiscal year to 352.3 billion yen. Business profit decreased by 37.6 billion yen (85.2%)² from the previous consolidated fiscal year to 6.5 billion yen, and the profit ratio decreased to 1.9%. Although the company saw an end to the deterioration of demand in capacitors and crystal devices for the information communication and industrial device markets, sales decreased because of stagnation along with inventory control. Business profit decreased as a result of a significantly worsened cost rate, a lowered operation rate, and the impact of structural reform costs, as well as declining profits.

Segment Sales Ratio, Sales Revenue, Business Profit for the Year Ended March 31, 2024

Segment Sales Ratio

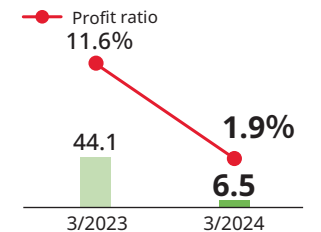


Sales Revenue (Unit: billion yen)



Note 1: March 2024/March 2023 -6.9%

Business Profit (Unit: billion yen)



Note 2: March 2024/March 2023 -85.2%

Trend of Market and Demand

The electronic components market is expected to expand along with progress in the electronics industry. Between 2023 and 2027, among the major Kyocera Group products, connectors are forecast to grow at 7 % CAGR, multilayer ceramic capacitors (MLCCs) at 8%, timing devices at 5%, and polymer tantalum capacitors at 7%. Kyocera has strength in small and high-precision technologies contributing to integrated circuit (IC) integration and access to the Kyocera AVX global sales channels and distribution networks covering industrial equipment, in-vehicle components, medical care, and aerospace technologies. With these strengths, the company strives to improve the market share of MLCCs and connectors and maintain a high market share in tantalum capacitors and timing devices.

Main Products



Vision

Contributing to customers and society through the development of valuable electronic components

Priority Measures

1 Investing in Fields with Competitive Advantage

Aggressive capital investment is focused on next-generation oscillation components for timing devices, tantalum capacitors, and MLCCs for aerospace, medical, and industrial applications.

2 Expanding Global Production Bases

Kyocera is optimizing its global manufacturing network by increasing production and building a supply system for key products—including MLCCs at the new Kyocera AVX factory in Thailand and crystal components at its factory in Vietnam.

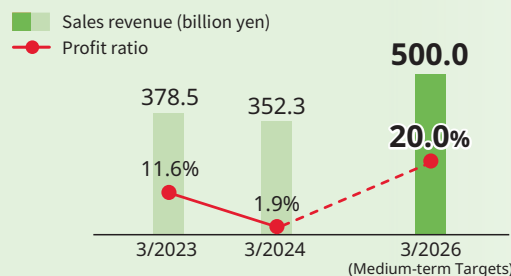
3 Improving Productivity Through Automation

Kyocera ensures diverse labor strengths through the expansion of global Kyocera AVX production bases, energy saving through the automation of production processes, and improvement of quality stability through automated control of AI robots.

4 Developing Unique Technologies

The company is combining the advanced capabilities of Kyocera AVX in the design of low-ESL products with the small-form-factor MLCC production technologies of Kyocera. In addition, the Group's U.S. R&D base will continue to conduct research on innovative technologies.

Business Targets



Examples of Priority Measures

Strengthening Sales Synergies Between Kyocera and Kyocera AVX

Establishing a Global One Face Sales Structure Will Help Maximize Profits by Deploying Global Strategies Across the Organization

An umbrella organization has been established over the Kyocera Electronic Components Group Headquarters in Japan and U.S.-based Kyocera AVX to place product marketing functions within the local business divisions and maximize profit opportunities through collaboration. As part of this effort, in April 2023, the company established a global business strategy based on its Global One Face Sales Structure. In response to customer requests, Kyocera unified customer contact points and transaction conditions, creating a global business structure by increasing the number of local on-site managers assigned in the United States, Europe, and Asia.



Global "One Face" Sales Structure

Investment Strategies

Promoting Facility Investment to Establish a Structure for Increasing Production and Optimizing Global Bases While Promoting DX to Improve Productivity

The company is planning active investments to optimize the Kyocera Electronic Components Group and Kyocera AVX production centers. In establishing a global production system in preparation for the expansion of production capability and actively adopting digital technologies essential for automation and labor-saving, the company plans capital investments totaling 210 billion yen over three years. Specifically, in addition to the construction of a new factory building at Kyocera AVX Thailand and a new building at the Kokubu factory in Kagoshima Prefecture, Kyocera is promoting labor saving and implementing automated lines into the Kyocera AVX bases with the aim of achieving an increase in production of 1.9 times for MLCC, 1.8 times for timing devices, and 1.4 times for tantalum capacitors compared with the fiscal year ended March 31, 2023.



Conceptual drawing: New building at Kagoshima Kokubu Plant

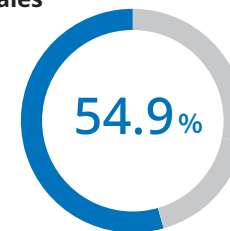
Solutions Business

Business results for the year ended March 31, 2024

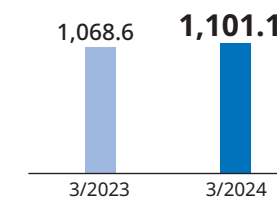
Sales increased by 32.5 billion yen¹ (3.0%) over the previous consolidated fiscal year to 1,101.1 billion yen. Business profit increased by 29.4 billion yen (69.4%)² to 71.6 billion yen, and the profit ratio improved to 6.5%. Increased sales were supported by the increased sales of major products in the Document Solutions Unit and Communications Unit, the increase in service demand, and the depreciation of the yen. Business profit increased due to increased sales in the Document Solutions Unit and other units. The absence of a one-time cost in fiscal 2023 as a result of structural reforms, such as costs for the write-down of inventory, also contributed to the increase in business profit.

Segment Sales Ratio, Sales Revenue, Business Profit for the Year Ended March 31, 2024

Segment Sales Ratio

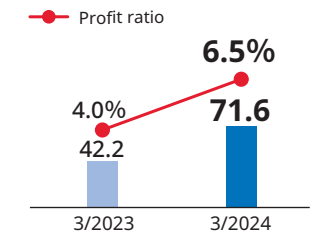


Sales Revenue (Unit: billion yen)



Note 1: March 2024/March 2023 +3.0%

Business Profit (Unit: billion yen)



Note 2: March 2024/March 2023 +69.4%

Trend of Market and Demand

As awareness for achieving a sustainable society, especially awareness of environmental considerations, has increased globally, the products and services offered by the Solutions segment of Kyocera must be energy-efficient and recyclable. It is also important to respond to the growing demand for solutions from customers and society. The Solutions segment will accurately identify these market environments and demand trends in order to contribute solutions and provide environmentally friendly products and services by shifting the focus from product sales alone to products and services.

Main Products



Director, Managing Executive Officer
Executive General Manager of
Solutions Business

Norihiko Ina

Kyocera strives to expand its business further as it pursues growth strategies, structural reform, and the creation of new businesses, aiming to provide solutions that meet customer needs and societal challenges.

The Solutions segment consists of seven product lines: document solutions, industrial tools, telecommunications equipment and services, smart energy, and printing devices and displays. This product diversity helps the company maximize business opportunities by leveraging interdivisional synergies to address new market needs. Ultimately, these synergies give birth to new businesses that serve people and society.

Vision

Make as many people as possible happier and society better

The Kyocera Group looks beyond conventional frameworks to create new value. It is no longer enough to offer high-quality, high-added-value products, and services; we must provide new innovations that contribute to sustainable growth worldwide.

Priority Measures

1 Growth Strategies and Structural Reform for Existing Businesses

The company plans to expand existing businesses to promote the implementation of new growth strategies and improve low-profit, low-growth businesses through structural reform.

2 Expanding Businesses Through Maximization of Product Line Synergies

Kyocera strives to maximize synergistic effects by sharing its expertise and resources possessed by other product lines and combining unique capabilities from diverse product lines for results that cannot be accomplished through conventional methods in order to achieve business growth and improve profits.

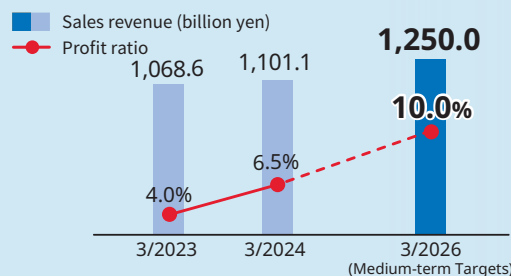
3 Early Realization of the New Business Commercialization Vision

Kyocera will realize the New Business Commercialization Vision, including for textile inkjet printers and AI-based collaborative robot systems.

4 Creating New Businesses

The Kyocera Group incubates promising concepts using a variety of proven frameworks for innovation streams to create foundations for high-growth businesses.

Business Targets

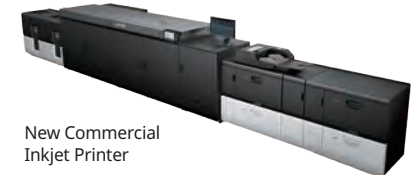


Examples of Priority Measures

Business Growth Focused on Growth Strategies and Structural Reforms by Product Line

Growth Strategies for Document Solutions

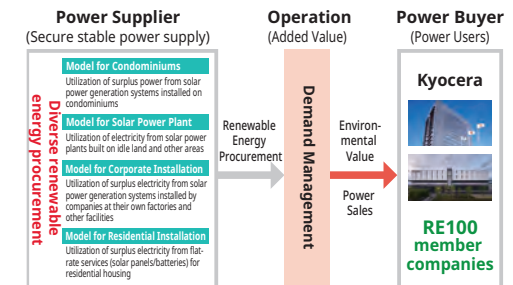
Kyocera is actively pursuing greater market share in the document solutions segment by introducing new environmentally friendly products that leverage its long-life design expertise in the office-use MFP and printer business. Further, by offering an Enterprise Content Management (ECM) system, which efficiently centralizes documents, images, and other data scattered across a network, the company is helping more customers optimize their workflows and information management for more sustainable operations. In the commercial inkjet printer market, the company is aggressively introducing new inkjet printers that respond to the need for multi-type small lot products, a segment that has high growth potential, to promote expansion.



New Commercial Inkjet Printer

Structural Reform: Corporate Smart Energy Group

Kyocera's Smart Energy Division is advancing the development of high-value-added solutions combined with conventional solar cells through the placement of a new high-safety, semi-solid, clay-type lithium-ion storage battery while increasing production capacity. Furthermore, Kyocera also actively promotes renewable energy sales utilizing PPA¹ and surplus electricity generated at condominiums. These reforms contribute to higher profitability for the company and a more sustainable world for consumers.



Early Achievement in Commercializing New Businesses

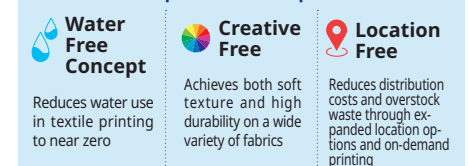
Commercialization of Textile Inkjet Printers

Kyocera's FOREARTH² textile inkjet printer eliminates the massive amount of industrial wastewater caused by textile printing and provides a solution to one of the textile printing industry's greatest sustainability challenges. To make FOREARTH available to the market as soon as possible, Kyocera is taking full advantage of Document Solution's existing factories, production equipment, and global sales network. In addition, the company opened a demonstration center in Milano, Italy, an important location for the global textile printing business, to serve as a major base for global strategy and to showcase the benefits of FOREARTH.



Textile Inkjet Printer

FOREARTH's "Triple-Free" Concept



Note 1: Power Purchase Agreement

Note 2: FOREARTH is a trademark of the Kyocera Corporation.

Special Issue

Wear to Save Water —True Blue Textile—Developed with the Environmentally Friendly FOREARTH¹ Textile Inkjet Printer

The Kyocera Group developed the FOREARTH textile inkjet printer, a revolutionary advancement that reduces water use to near zero.

Background in the development

The textile and apparel industries deal with significant challenges in their attempts to reduce the tremendous volumes of wastewater, CO₂ emissions, and product waste they are responsible for generating. As a solution to these longstanding problems, Kyocera developed the innovative FOREARTH textile inkjet printer through the integration of unique core technologies provided by several diverse Amoebas.

By taking full advantage of FOREARTH's outstanding features, Kyocera is working in close collaboration with apparel brands, fashion design schools, and local governments to create environmentally friendly fabrics under the True Blue Textile clothing concept that promotes wear to save water as an approach to the reduction of environmental load.

Water Free Concept

Based on the Water Free Concept, the FOREARTH textile inkjet printer was designed to reduce the consumption of water in textile printing to near zero. With True Blue Textile, the company succeeded in producing beautiful fabrics with FOREARTH using almost no water.

True Blue Color

True Blue Textile was inspired by the blue waters of Kochi Prefecture's Niyodo River. The beautiful color known as Niyodo Blue² has become quite popular.

Note 1: FOREARTH is a trademark of the Kyocera Corporation.

Note 2: Niyodo Blue is a trademark of the Inomachi Chamber of Commerce and Industry.



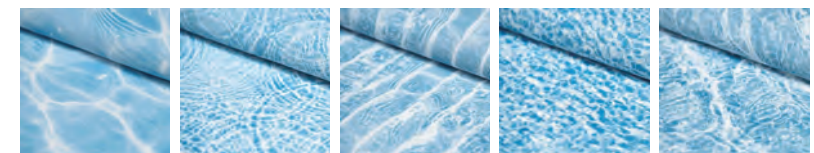
True Blue Textile Color Concept

Features of the FOREARTH Textile Inkjet Printer

FOREARTH reduces water use in textile printing to near zero, which alleviates the need for large pre- and post-print processing equipment and steamers. This also significantly reduces the amount of energy consumed and CO₂ emissions produced. Furthermore, FOREARTH produces a soft texture, an essential need in the textile and apparel industries, and enables high-precision printing on a wide variety of fabrics, including cotton, silk, polyester, nylon, and mixed fabrics.



Water Inspired Patterns



Expanding R&D

We will continue to be a pioneer in creating new value at the forefront of technology by mastering unique methods of manufacturing. We hope to extend the vision of our founder, Dr. Kazuo Inamori, who once said, “What we aim to do next is what other people tell us we could never do.”

Collaborative Value Creation

Ranging from materials to services, the Kyocera Group’s diverse businesses serve four priority business areas: information and communications, automotive, environment and energy, and medical/healthcare. Sustainable growth requires internal and external collaboration across segments, including open innovation with engineers in other companies and at universities. By building collaborative relationships, the company hopes to provide greater value to society by fulfilling the Management Rationale and creating a more sustainable future.

● In-house Collaboration

» R&D in Japan

We are building a network of engineers at four major Kyocera Group R&D centers in Japan to foster horizontal collaboration. We will remove interdivisional barriers by integrating members from operations and R&D, and maximize our collaborative power to create new businesses.

» R&D Outside Japan

To address global needs, our plans for expanding collaboration with research centers outside Japan include an international research base with KYOCERA AVX. We will establish a Kyocera Group-wide R&D structure to develop game-changing technologies with new approaches and collaborative themes.

● External Collaborations

» With Other Companies

Through collaboration with other companies, we will integrate technologies to advance more quickly from proof-of-concept to commercialization, and will develop a pipeline of talented leaders who can launch new businesses. We will also promote open innovation and information exchange with inventors outside of Kyocera.

» With Universities

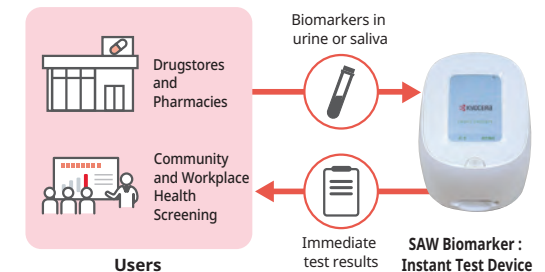
Kyocera entered into comprehensive partnership agreements with the University of Tokyo and Kyushu University with the express objective of creating ripple effects in markets and throughout society through alliances with universities to combine innovative research perspectives in science, technology, and economics. Kyocera has begun joint research with the University of Tokyo as part of a social partnership program and is funding research with Kyushu University.

Creating New Value

It has become difficult to address diverse societal challenges using one material or technology alone. Kyocera Group R&D teams will contribute to our goal of achieving 3 trillion yen in annual revenue in the fiscal year ending March 2029 by creating new businesses that integrate a wide range of technologies developed through a global research network.

● Instant Biomarker Test Device Contributing to the Promotion of Health and the Prevention of Disease¹

Kyocera’s Instant Biomarker Test Device enables the measurement of urine and saliva samples, which are traditionally handled by specialized laboratories. Kyocera’s biosensor realized miniaturization of the device to enable healthcare providers to quickly and easily ascertain health status anytime and anywhere. The company successfully installed an Equol test system into this biomarker test device and is now proceeding with verification to support community health by making it possible for testing to be provided by local governments, at drug stores, and other convenient locations.

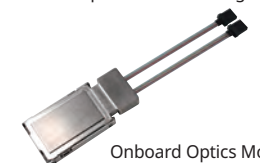


● Onboard Optics Module for Next-generation Computing

Demand from data centers, which contain large amounts of computer equipment, is expected to increase, and the accelerated introduction of AI will significantly increase power consumption. Kyocera developed an onboard optics module that converts signals between equipment from electrical to optical signals to achieve both high-speed transmission and low power consumption. The company also continues to participate in technological development for the Green Innovation Fund’s² next-generation green datacenter and promote social implementation from R&D.



Optical Circuit Wiring



Onboard Optics Module

Note 1: Jointly developed with Healthcare Systems Co., Ltd.

Note 2: A fund project hosted by the New Energy and Industrial Technology Development Organization (NEDO)

New Business Creation

As a key strategy for sustainable growth, Kyocera invests aggressively in research and development to create new businesses that maximize social and economic value.

New businesses begin through a three-phase process: opportunity identification, business development, and commercialization.

The organizational structure supporting each phase focuses on creating new products and services that respond to societal needs.

Opportunity Identification

Rice Cultivation at a Factory

Kyocera is developing methods for the hydroponic cultivation of lettuce and rice using LED lighting to address the global issues of population-related food supplies and environmental preservation.

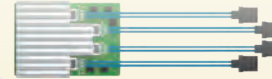
Enhancing Offshore Aquaculture

Kyocera is participating in a project to build an offshore aquaculture system combining LED lighting and IoT technologies for sustainable fisheries that minimize impact on our natural marine environment.

Business Development

Onboard Optics Module

The onboard optics module is a small module that converts signals between computers and other devices from electrical to optical signals. This achieves high-speed signal transmission with low energy consumption, which contributes to the greening of data centers.

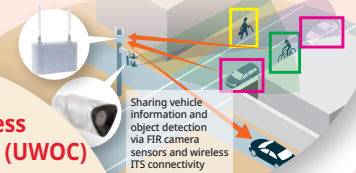


Millimeter Wave Technology

We will continue to advance information technologies by developing millimeter-wave solutions, expanding the speed, coverage and capacity of 5G communications networks.

Road-Vehicle Communications System

To improve safety in traffic intersections and conditions beyond current autonomous driving capabilities, we are supporting smart transportation infrastructure using wireless ITS roadside equipment and advanced FIR camera systems.



Underwater Wireless Optical Communication (UWOC)

In the oceans, which account for 70% of the earth's surface, there is no communication network. Electrical waves cannot be used for communication because of the significant attenuation in water. Using visual lasers, which experience less attenuation in water, Kyocera realized high-speed, large capacity underwater wireless optical communication to contribute to the effective use of seabed resources in Japan and digital transformation of the oceans.



Commercialization

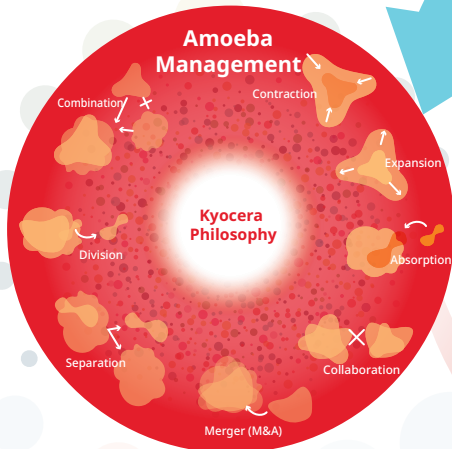
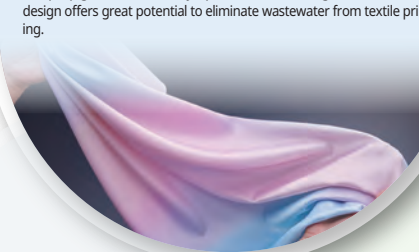
Kyocera Robotic Services ▶ P.17

Kyocera provides intelligence to collaborative robots to realize expanded use. Responding to high-precision pick-and-place operations involving irregular components and high-mix, low-volume processes that were traditionally handled manually, the company provides solutions to labor shortages.



FOREARTH¹ Textile Inkjet Printer ▶ P.24

Kyocera's textile inkjet printing system has developed by integrating unique pigment ink and inkjet printhead technologies. Its water-free design offers great potential to eliminate wastewater from textile printing.



Note1: FOREARTH is a registered trademark of Kyocera Corporation.

Intellectual Property Strategy

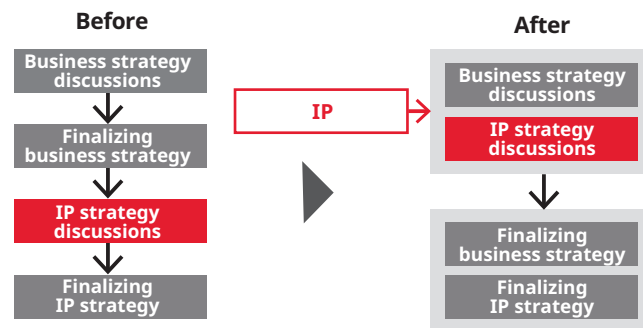
“Committing to the highest legal and intellectual property standards to strengthen and protect our business.”

This statement represents Kyocera's basic principle concerning legal and intellectual property (IP) activities.

Amid rapidly changing markets and evolving societal demands, the Kyocera Group holds an unyielding standard for intellectual property (IP) principles and practices.

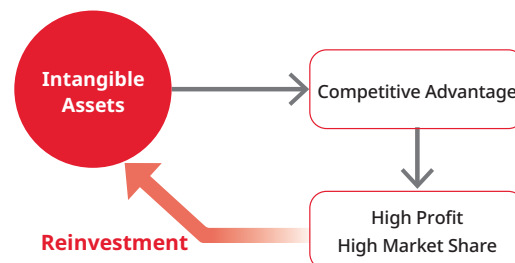
Promoting Our Intellectual Property Strategy

Kyocera focuses on “integrating IP strategy into business strategy” as part of our basic operations. And we make sure to engage in discussions at an early stage of business strategy development.



IP Activities Sustain Competitive Advantage

In a growing range of fields, the competitive advantages of superior IP and intangible assets hold the key to higher profits and market share. Having profit to reinvest allows us to continuously improve our technologies, further increasing our intangible assets including IP. This cycle represents the IP strategy which supports our business.

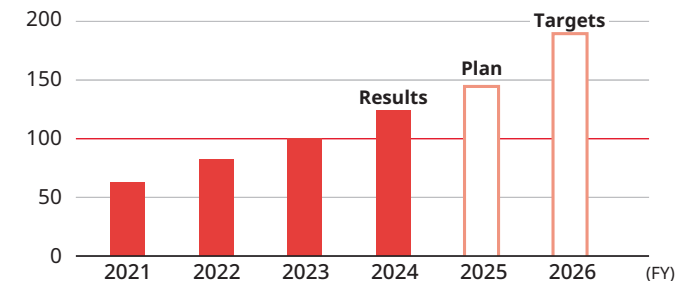


Note 1 : Analysis combining IP factors with other business, scientific and technological trends

Visualizing IP Contributions to Business

To visualize how IP contributes to business, Kyocera calculates the value that its IP activities contribute to business. This value is calculated based on 1) increase sales attributable to owning patents covering our products, 2) income from patent licensing, and 3) reduction of licensing expenditures due to cross-licensing and negotiations. We examine this value each year as a key performance indicator (KPI), which provides a clear picture of the growth and economic value of our IP activities. The results of our IP activities can be seen in the increase in value of their contribution to our business.

Value of IP contributions to business²



Note 2: Changes and target values by setting the value of contributions to business in FY2023 as the standard value (=100)

External Evaluation for IP Activities

Kyocera Group's IP has once again been recognized by Clarivate, a global information services company. The Group was selected as a Clarivate Top 100 Global Innovator 2024. This was the eighth time and the third consecutive year being honored with this award. We are committed to continuing our innovative IP activities.



Topics > 1

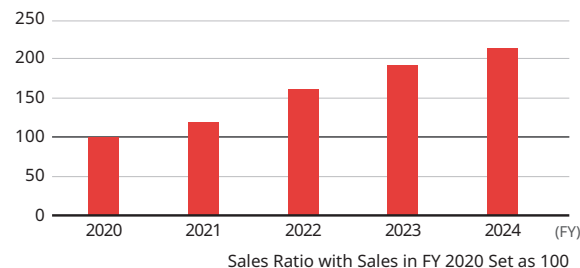
Core
Technology

Cordierite

- From semiconductors to space - New frontier opened by nanometer-level precision

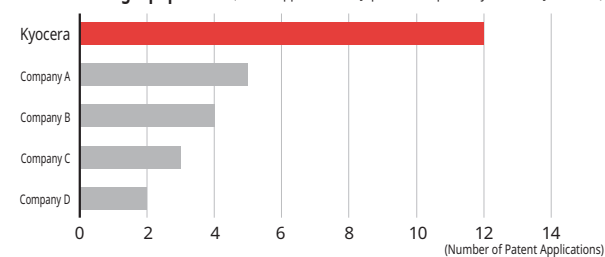
Kyocera has made significant contribution in the field of semiconductor manufacturing equipment. FY2024 sales of ceramics components for semiconductor manufacturing equipment were more than double those of FY2020.

Sales of Ceramics Components for Semiconductor Manufacturing Equipment

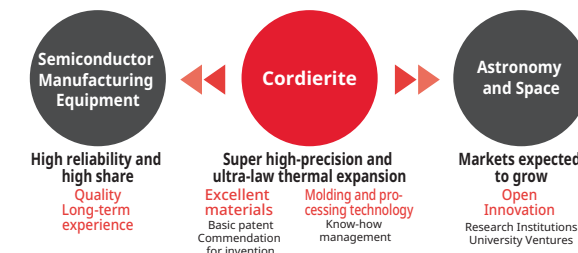


Supporting this growth are a multitude of Kyocera's core technologies. Kyocera's wafer stage materials represent a high market share, no doubt supported in part by the long-standing relationships of trust with our customers. Kyocera material technology using cordierite ($2\text{MgO} \cdot 2\text{Al}_2\text{O}_3 \cdot 5\text{SiO}_2$) has been a significant contributor to these results as well. Cordierite has an extremely low coefficient of thermal expansion and exhibits very small deformation with high temperature. Kyocera has filed a number of patent applications in the field, including a basic patent (Japanese Patent No. 5762522) for semiconductor manufacturing equipment using cordierite, and our technical capabilities are highly regarded². In addition, Kyocera's proprietary molding and processing technologies are key to ensuring high precision, and these are appropriately managed as know-how.

Number of Patent Applications for Cordierite Regarding Semiconductor¹
Manufacturing Equipment¹ (Patent applications in Japan for the past 20 years as of June 2024)



Furthermore, we are proceeding with the development of cordierite for application in the fields of space and astronomy, a market expected to see growth. This includes work on ultra-high precision mirror components³. The field of space and astronomy is a relatively new challenge for us, and in addition to applying our own intellectual property such as patents and know-how we are actively utilizing open innovation through joint research with prominent research institutions and universities, as well as partnerships with venture companies, to accelerate the improvement of our technological capabilities.



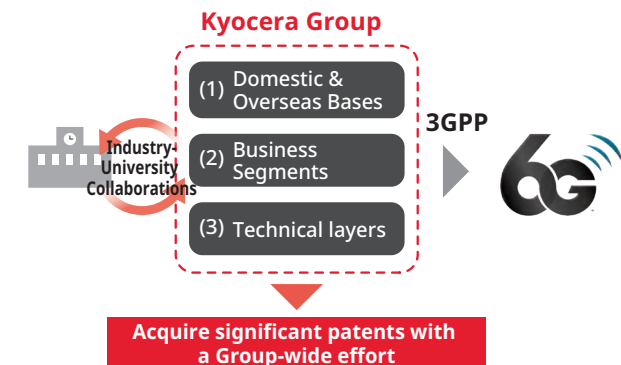
Topics > 2

New
Business:

6G

- Group-wide Activities in Preparation for the 6G Era -

The Kyocera Group is actively involved in the realization of 6G, next-generation communication technology, through its unified, group-wide efforts. We have established a system which (1) connects both domestic and overseas bases, (2) links business segments in the Group, and (3) encourages active opinion exchange on a wide range of technical layers from components to software. Kyocera participates in the 3GPP Project and contributes to standardization and development of inventions for 6G-era. Specifically, we obtained two significant patents⁴, both of which are shared publicly. Kyocera also actively invests resources into industry-university collaboration projects to promote open information exchange and joint research in preparation for implementation of this new technology in society. We pursue these approaches with the aim of serving as a leader in the advancement of communication technology for the 6G era and providing outstanding new value to society.



Note 1: Based on research by Kyocera

Note 3: [Kyocera Installs World's First Fine Cordierite Ceramic Mirror for International Space Station's Experimental Optical Communications](#)

Note 2: [FY2021 National Commendation for Invention Winner of the Invention Prize \[Japanese only\]](#)

Note 4: [Creating the future: Kyocera's patents for 6G](#) [Creating the future: Kyocera's patents for 6G Vol.2](#)

Headquarters



Director
Managing Executive Officer
Executive General Manager
of Headquarters & Senior
General Manager, Corporate
Development Group

Shoichi Aoki

Organizational chart

Headquarters

Corporate General Affairs Human
Resources Group

Corporate Purchasing Group

Corporate Management Control Group

Corporate Legal and Intellectual Property
Group

Corporate Management Promotion
Group

Corporate Development Group

Risk Management Division

Vision

Kyocera strives to optimize the management resources of personnel, materials, financial assets, and information to enhance corporate value.

Compared with the previous term, the year ended March 31, 2024, resulted in a decrease in income and profit from the increasingly severe business environment within which the company operates. To mitigate this, Kyocera enhanced the management infrastructure through the implementation of three priority measures.

Looking at the pursuit of sustainable management, the Kyocera Group strengthened group-wide approaches. These included measures for natural disasters and cybersecurity risks, an external audit of compliance with the Responsible Business Alliance (RBA), and response to the Corporate Sustainability Reporting Directive (CSRD), which is scheduled to become a requirement, at 6 of the 14 domestic production bases. As for capital strategies, in addition to providing stable dividend payments, Kyocera concluded a stock buyback totaling 50 billion yen aiming to achieve high returns for shareholders. Measures implemented for shareholders included a share split to further expand the number of investors and improve the liquidity of

Priority Measures

1 Promoting Sustainable Management

The Kyocera Group works on sustainable management based on its management philosophy. This includes the promotion of Diversity, Equity, and Inclusion (DEI), protection of human rights, robust risk management, and adherence to compliance practices along with ensuring new value to society.

2 Capital Strategies

For sustainable corporate development, we will improve capital utilization and improve shareholder returns through a combination of dividends and share repurchases.

3 Enhancement of Corporate Governance

In order to maintain the soundness and transparency of management and ensure fair and efficient practices, the Kyocera Group enhances its governance structure through the assignment of diverse outside directors and improvement of the effectiveness of the Board of Directors.

company shares. Kyocera also established new shareholder benefits as incentives. Furthermore, the company is reducing cross-shareholdings. In regard to approaches to corporate governance, Kyocera further enhanced the supervisory functions and increased the diversification of the Board of Directors. In June 2024, the Board added one female outside director with extensive experience in corporate management and assigned a female outside auditor. These assignments helped to increase the ratio of outside and female executive officers.

To achieve sustainable corporate growth in a rapidly changing business environment, it is increasingly important that approaches are made in cooperation with individual divisions inside the company. Based on the Kyocera Philosophy, which points the company in universally reliable directions, Kyocera leverages its capabilities through internal synergy to advance the enhancement of the management infrastructure as the company improves the Kyocera Group value through active communication with stakeholders.

Promoting Sustainable Management

While solutions to many of the most important issues facing the world require the experience and expertise of global corporations, sustainable corporate growth requires that those solutions be matched to business pursuits that produce the most meaningful results. The Kyocera Group continues to pursue sustainable management and provides unprecedented new value through its business to achieve sustainable growth for both society and the Kyocera Group.

Concept

The Kyocera Group's sustainability activities reflect our management philosophy and our mission to build businesses that respond to societal needs. We are committed to develop environment-friendly products, implement climate change countermeasures through long-term environmental targets, and respect human rights.

Promotion System

To promote the sustainable development of both society and the Kyocera Group, the Kyocera Group's Sustainability Committee holds two meetings yearly. The committee is chaired by our president, Hideo Tanimoto, and is attended by Kyocera's Inside Directors and other top leaders.

Sustainability Committee Structure

Chairman of the Sustainability Committee:
President, Kyocera Corporation
Vice Chairperson of the Sustainability Committee: Senior General
Manager of Corporate Management Promotion Group

Sustainability Promotion Department, Corporate
Management Promotion Group

Sustainability Committee members:
Inside Directors, other top leaders, and etc.

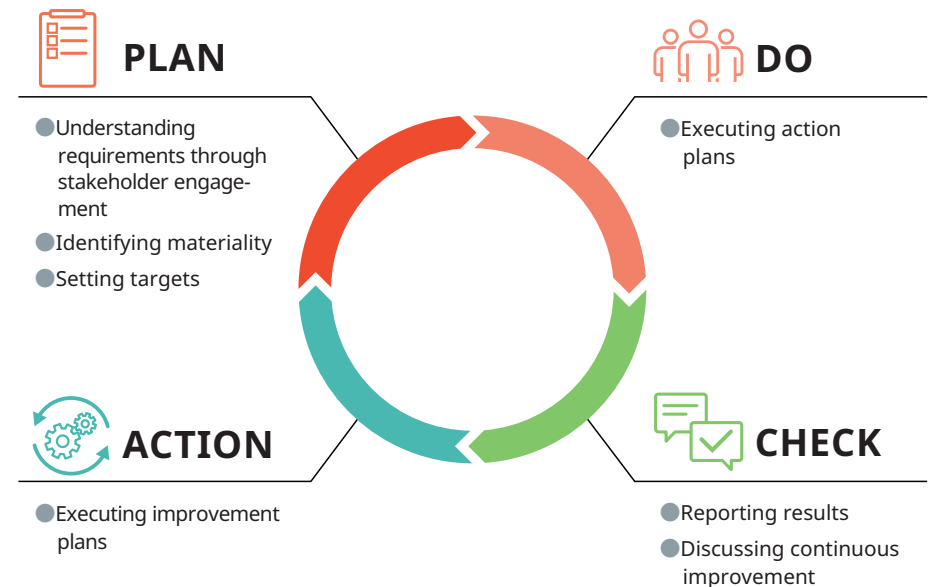
Kyocera reported and discussed the following items in FY2024:

- Progress of long-term environmental goals (Scope 1, 2, 3)
- Approaches to the CSRD (Corporate Sustainability Reporting Directive)
- Biodiversity conservation
- Contribution to the circular economy
- Publication of Kyocera Integrated Report
- External evaluation for the Kyocera Group

Sustainability Management Processes

In order to promote sustainable management, the company first seek to understand societal needs through stakeholder engagement. Next, Kyocera identifies priority issues, sets goals, and takes action to address them. The company then evaluates the results and discusses methods of improvement, while top management reviews them for further improvement and presents their recommendations to the Board of Directors if necessary. Through the application of these processes, Kyocera promotes sustainable management.

Sustainability Management Process Flowchart



Capital Strategies

Realizing sustainable growth and improving corporate value requires the company to find growth opportunities under the ever-changing business environment within which the industry operates. The Kyocera Group effectively combines financial assets and borrowing to maintain a sound financial base that enables the company to make investment in a flexible manner. Kyocera aims to improve capital efficiency through the implementation of capital strategies aligned with the business initiatives presented in the Medium-term Management Plan, in addition to the enhancement of measures for shareholder returns.

Basic Concept

The Kyocera Group considers the increase in profits through business expansion an important factor in achieving the goal of becoming a high-growth, high-profit company as set forth in its management policy. At the same time, it is important to maintain a high shareholder equity ratio and strong financial base so that the company can continue operations under any potential business environment to ensure long-term interest of shareholders. Under this concept, the Kyocera Group strives to enhance production capabilities, invest in research and development, and conduct M&As for business growth along with structural reforms to improve profitability with the objective of achieving sustainable business growth and improving capital efficiency. The company also strives to improve returns to shareholders through the provision of high dividends and share repurchases.

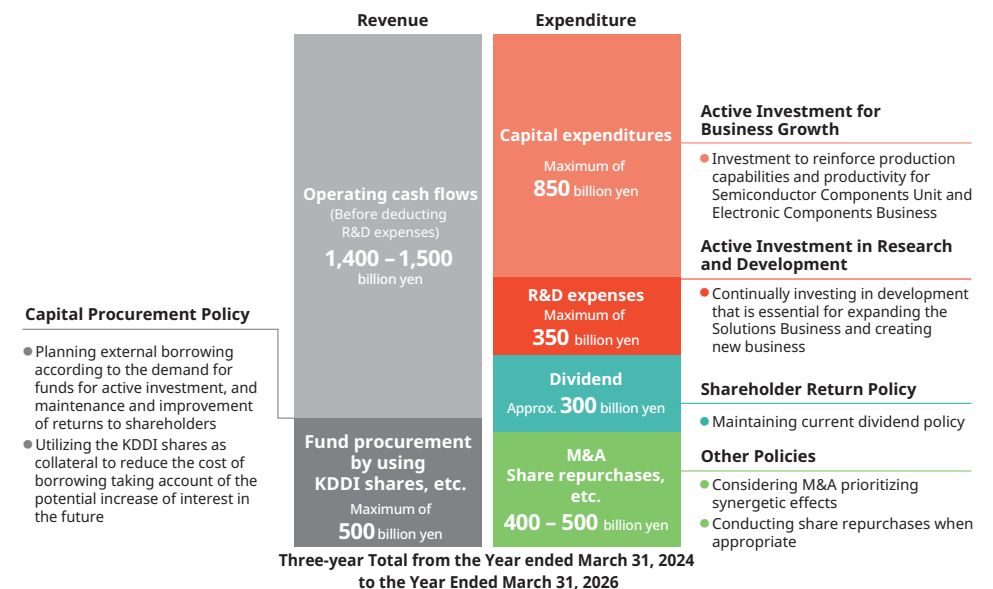
Action to Implement Management that is Conscious of Cost of Capital and Stock Price

In May 2023, the Kyocera Group released the Medium-term Management Plan to clarify its approaches to business growth. The company strives to continuously increase ROE and improve PBR through the execution of measures established by the plan; namely, implementation of the business strategy and strengthening of the management foundation.



Capital Allocation

Based on the Medium-term Management Plan, the Kyocera Group clarified its three-year capital allocation from the year ended March 31, 2024, to the year ending March 31, 2026. The company estimates total capital expenditures for business expansion at a maximum of 850 billion yen and research and development expenses at a maximum of 350 billion yen. However, because of the delay in the recovery of the markets related to semiconductors and information and communications, capital expenditures during the year ended March 31, 2024 were lowered from the initial forecast to 161.7 billion yen with 104.3 billion yen for R&D expenses. Kyocera also estimates returns to shareholders through dividends of 300 billion yen in accordance with the current policy. In addition, the company considers that another 400 to 500 billion yen is available for M&A and share repurchases, etc. The overall plan is to allocate operating cash flows with a maximum of 500 billion yen from borrowings to these investments for business expansion and returns to shareholders. As for borrowings, Kyocera is using its KDDI shares as collateral to reduce borrowing costs.



Shareholder Returns

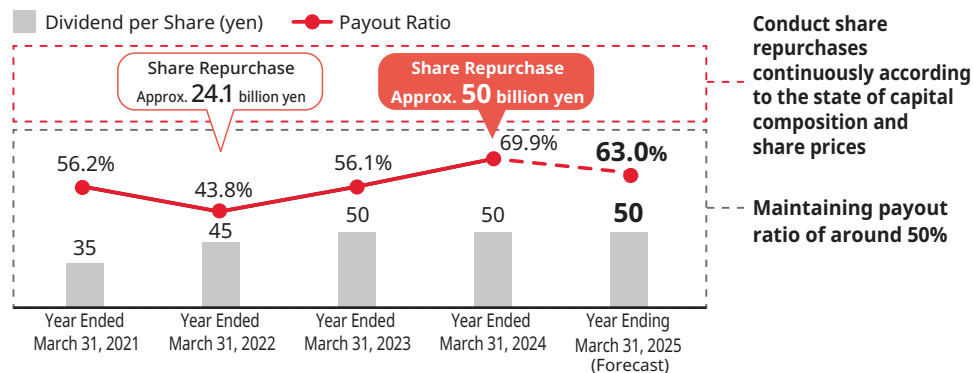
● Basic Profit Distribution Policy

The Kyocera Group believes that the best way to increase corporate value and meet shareholders' expectations is to improve future consolidated performance on an ongoing basis. Therefore, the company has adopted a principal guideline that dividend amounts shall fall within a range based on profit attributable to owners of the parent on a consolidated basis, and has set its dividend policy to maintain a consolidated dividend payout ratio of around 50% of profit attributable to owners of the parent. In addition, the company determines dividend amounts based on a comprehensive assessment, taking into account various factors including the amount of capital expenditures necessary for medium to long-term corporate growth. The company also has adopted policies to ensure a sound financial basis, and, for such purpose it sets aside other general reserves in preparation for the creation of new businesses, cultivation of new markets, development of new technologies and acquisition, as necessary, of outside management resources to achieve sustainable corporate growth. In addition to the above-mentioned basic policy, within a certain range based on cash flow, the company will implement acquisitions of its own shares when appropriate, as a powerful mechanism for enhancing shareholder returns.

● Dividends and Share Repurchases during the Year Ended March 31, 2024 and the Year Ending March 31, 2025

Based on the above-listed policies, the dividend per share for the year ended March 31, 2024, was 50 yen (after the stock-split basis), which was the same as that for the year ended March 31, 2023. The projected dividend per share for the year ending March 31, 2025, will be 50 yen according to performance forecasts and the above-listed policies. Kyocera acquired a total of 50 billion yen (27 million shares based on the split-adjusted number of shares) of its own shares between May 16 and October 31, 2023, to bolster its return to shareholders and to prepare for a flexible capital strategy.

■ Shareholder Returns Combining Dividends and Share Repurchases



Cross-Shareholdings

For the purpose of further clarifying its policy of reducing its shareholdings, on April 27, 2023, the company disclosed a change in its policy relating to “Principle 1.4 Cross-Shareholdings” of the Corporate Governance Code and expressly implemented a numerical target to reduce its shareholdings by at least 5% on a book value basis by the year ending March 31, 2026. To achieve this target, Kyocera has reduced approximately 1% of its shareholdings on a book value basis during the year ended March 31, 2024 and will continue to reduce its shareholdings during the year ending March 31, 2025.

Stock Split/ Improvement of Shareholder Benefits

With the aim of increasing the liquidity of the company's stock and expanding its investor base, the company undertook a stock split on the record date of December 31, 2023, at the ratio of 4 for 1 of all common shares held by shareholders whose names appeared or were recorded in the Registry of Shareholders as of the end of the record date. In addition, the company established a benefit program to award gifts in accordance with the number of shares and the holding period to encourage even more individual investors to hold Kyocera Corporation shares over the long term. This is in addition to existing catalog sales for shareholders.

Continuous Shareholder Benefit Program

Eligible shareholders as of March 31 each year receive a QUO card or Catalog Gift in accordance with the number of shares held and the holding period.

		Holding period	
		1 year or more and less than 5 years	5 years or more
Number of Shares Held	100 shares or more and less than 500 shares	QUO card 1,000 yen	QUO card 2,000 yen
	500 shares or more and less than 1,000 shares	Catalog Gift 3,000 yen equivalent	Catalog Gift 5,000 yen equivalent
	1,000 shares or more	Catalog Gift 5,000 yen equivalent	Catalog Gift 10,000 yen equivalent

Fulfillment of Human Capital — The Kyocera Group Human Capital —

Throughout its wide range of businesses, the Kyocera Group focuses on employee development through skills acquisition in specialized technologies, and through awareness and practice of our Kyocera Philosophy.

In addition, we recognize the importance of improving the work environment to ensure that diverse employees can find fulfillment and thrive.

The Kyocera Group's Approach to Human Capital

The Kyocera Group operates under the Amoeba Management system, which allows all employees to participate in managing the company. We view this as an extension of our philosophy to provide opportunities for employee growth and development, both materially and intellectually, while contributing to a better world. The Kyocera Group strives to create an environment in which all employees can approach their work with a sense of ownership and find empowerment and fulfillment by continually expanding their human potential.

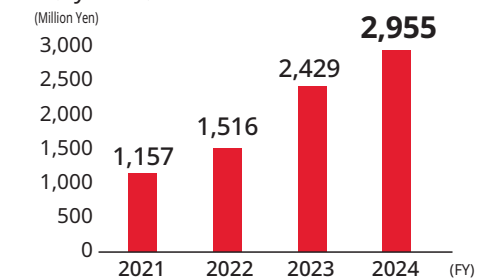
Our “Management by All” approach calls every employee to use “What do we consider to be the right choice as a human being?” as our compass for work and decision-making. As the Kyocera Group expands with a more diverse global workforce, this universal mindset encourages us to aim higher with initiative and enthusiasm, and to grow every day. Our Kyocera Philosophy reminds us that “The Result of Our Life or Work = Attitude × Effort × Ability.” Reflecting the Kyocera Philosophy’s focus on seeking the proper outlook, fulfilling potential, and bolstering enthusiasm, all Group employees are given a wide range of opportunities to gain and improve knowledge and skills in their individual and other career specializations. The Group believes that this enables everyone at the company to fully develop their potential and to grow as the company grows, emphasizing job satisfaction and employee fulfillment.



Initiatives to Strengthen Human Capital

The Kyocera Group companies worldwide employ various methods to enhance understanding and practice of the ideals in our corporate culture, as codified in our Kyocera Philosophy. This is prioritized within other human resource development and professional growth initiatives that also focus on job skills proficiency.

Changes in Education-related Costs (Kyocera)



Initiatives to Advance the Kyocera Philosophy

» Promotion System

The company established the Kyocera Group Philosophy Education Committee, chaired by the chairperson of the company, in order to continue building a sound corporate culture on the solid foundation of the Group philosophy. All Kyocera Group executives attend the committee meetings to formulate the educational policy of the Philosophy based on the results of previous educational and dissemination activities, and to discuss and decide on the direction and specific measures for further dissemination activities.

Kyocera Group Philosophy Committee

Kyocera Group Philosophy Committee Chairman

<Chairman of the Board and Representative Director>

Philosophy Committee Members

Business Segments, Kyocera Divisions, Affiliates

Executive General Managers,
Senior General Managers,
Affiliate Presidents

Philosophy Awareness Committee

Segments, Kyocera Divisions, Affiliates
<Group General Managers and General Managers>

» Kyocera Philosophy Education

The Group is expanding its Kyocera Philosophy Education on a global basis in accordance with the policy established by the Group-Wide Philosophy Committee. Kyocera set up opportunities for top management and senior management throughout the Group to discuss Group Philosophy-related themes to ensure that the next generation of leaders is thoroughly familiar with the principles and practices established by the company. Kyocera also established a digital infrastructure through which all employees can learn freely at any time as a way to cultivate a corporate culture that fully reflects the Philosophy, and commending employees for practicing the Philosophy.

FY2024 Results of Education

	Participants	Training hours per participant (day)
Introductory education (For young and mid-career employees)	2,927 persons	0.5 days
Leader education	431 persons	1 day
Management leader education	464 persons	1 day



Management leader education in overseas

● Initiatives for Capacity Development

» 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 task on a step-by-step basis.

FY2024 Results of Education

Participants	Training hours per participant (day)
13,501 persons	0.6 days

» Technical Training

Kyocera aims to develop human resources with a wide range of knowledge and skills across the Group in the important areas of engineering, R&D, production technology, manufacturing technology, and quality assurance. Kyocera offers a training framework that includes "New Engineer Education" for new employees assigned to technical roles, "Specialized Technical Training" for junior engineers, and "Innovation Training" for mainly mid-level engineers to practically learn innovation creation. Materials technology, semiconductor technology, analysis, quality engineering, and DX-related fields, providing a system for learning the necessary technologies according to the area of responsibility.

» Global Education

Kyocera offers online English learning support and overseas dispatch projects that allow employees to attend graduate school and gain experience at Group companies as part of its efforts to develop human resources capable of playing an active role on the global stage. These projects sent employees to different regions around the world, including the United States, Europe, China, and Southeast Asia. Through these projects, Kyocera is cultivating employees to acquire leading-edge knowledge and technology that can only be gained abroad, as well as providing them with the opportunity to develop an international perspective while they improve their language skills. Furthermore, Kyocera provides in-house online international culture training for employees scheduled for assignment to offices or facilities abroad and employees responsible for overseas-related operations.

FY2024 Results of Education

Participants	Training hours per participant (day)
3,128 persons	9.8 days



Training

FY2024 Results of Education

Participants	Training hours per participant (day)
400 persons	20.2 days



Global education

Fulfillment of Human Capital — DEI Promotion —

To ensure success in today's rapidly changing business environment, we believe it is essential to attract diverse human resources and enable each employee to reach their full potential on the job.

Kyocera's Vision for DEI¹

DEI is not meant to treat women; individuals with physical, intellectual, and emotional challenges; people from overseas; and members of the LGBTQ community as a special category but rather to describe all employees. Kyocera believes that everyone should be able to enjoy life and feel included, that ideas should be respected and accepted on the basis of their merits, and that the diverse potential of different people should be respected and encouraged. Kyocera regards DEI as an initiative intended to ensure the involvement and participation of all employees. Above all, Kyocera strives to understand how it can be an even more progressive company and how all employees can achieve a deeper understanding and acceptance of the true meaning and purpose of DEI.



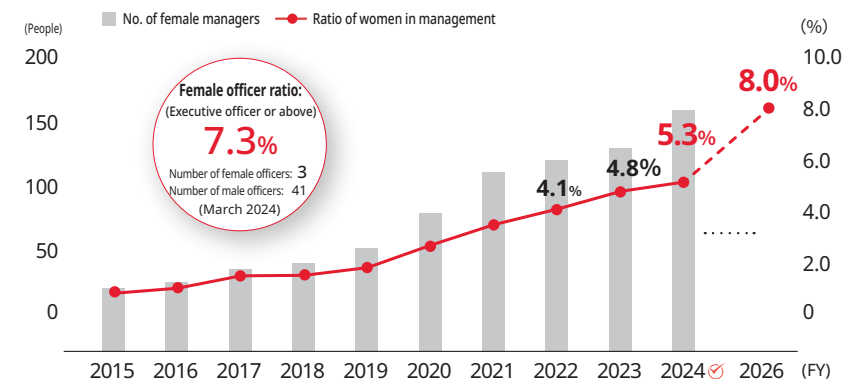
Approaches to DEI

Considering opportunities for women in the workplace a core management theme at its domestic operations, Kyocera has initiated a variety of awareness programs since 2006 to promote corporate culture reforms and advance initiatives like balancing work and parenting. As a result, the number of women in management has increased. In 2019, the Diversity Promotion Division was established at our Japan headquarters to facilitate company-wide initiatives expanding diversity throughout the workforce. A Site-Specific Diversity Promotion Committee was also set up at each of Kyocera's major domestic plants and offices to lead local activities in response to site-level needs. Further, to cultivate a corporate climate that respects diversity, we provide guidance from top management, awareness education, and diversity training for managers, aiming to ensure a welcoming work environment for all.

● Improving Gender Representation

By FY2026, Kyocera Corporation set the goal of having 8.0% of its management positions held by women. The company is improving training opportunities for management candidates and actively promoting capable women to managerial positions. Furthermore, Kyocera established the Positive Action Promotion Committee, a body comprising representatives from each business segment, to focus on employee engagement for women in each department and provided a wide range of external training programs. As of FY2024, Kyocera Corporation had 161 female managers (5.3%) and 1 female director and 2 female executive officers (7.3%) within its executive team. The company will continue to seek new ways of promoting the participation of women throughout the Group.

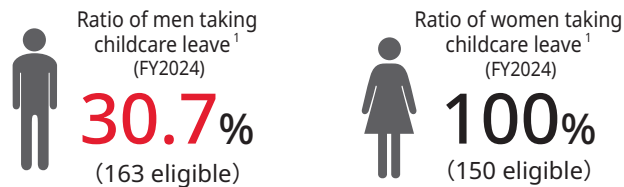
Transitions in the Numbers and Ratios of Female Managers (Kyocera)



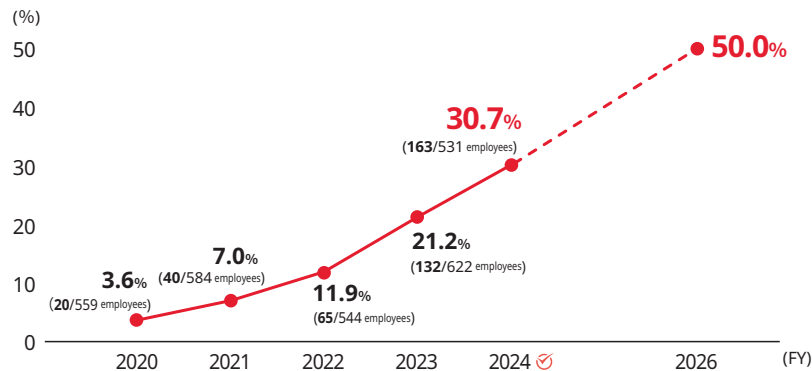
Note 1: The abbreviation of diversity, equity, and inclusion

● Promoting Childcare Leave

Kyocera has created a work environment in which all employees, both male and female, are able to take childcare leave more easily. To support men's participation in childcare, we hold roundtable discussions and workshops to promote understanding and guidance. Our approaches have led to an increase in the ratio of eligible male employees taking childcare leave from 3.6% in FY2020 to 30.7% in FY2024. We set a goal to achieve 50% by FY2026. Through management seminars and other efforts, we continue to create a work environment in which all employees feel comfortable taking childcare leave.



Ratio of Men Taking Childcare Leave (Kyocera)



Note 1: Number of male employees that have taken childcare leave during the period / Number of male employees whose spouses gave birth during the period / Number of female employees that have taken childcare leave during the period / Number of female employees who have given birth during the period

● Approaches to Understanding LGBTQ Issues

Kyocera is making efforts to raise employee awareness of LGBTQ issues and create a comfortable work environment for all. We created SOGI²-LGBTQ Guidelines and have revised our in-house policies to include recognition of same-sex partners as spouses, and the prohibition of conduct, by word or deed, that disadvantages other employees based on their sexual orientation or gender identity. We also provide seminars, both to the general workforce and to employees in general affairs and human resources, to ensure that Kyocera works as an ally to members of the LGBTQ community. In recognition of these efforts, work with Pride, an association that promotes diversity and inclusion to protect members of the LGBTQ community and other sexual minorities, awarded Kyocera the Gold Rating, the highest specified by its PRIDE Index, for two consecutive years.



Participation in LGBTQ events

● Creating an Attractive Work Environment

As a part of the group's work-style reform efforts, Kyocera has been enhancing the work environment of its headquarters and branch offices, specifically by developing spaces suitable for web communication, implementing a hot-desking system, and expanding open communication areas. Furthermore, in the Tokyo Metropolitan area, we opened our New Tokyo Office to consolidate Kyocera Group bases. In addition, in conjunction with the redevelopment of our business sites, we are renovating common areas within plants and expanding communication spaces, dining facilities and other amenities. Through these efforts, we aim to create an environment in which diverse employees can enhance their productivity and apply their creativity throughout the enterprise.



Enhancements at Kyocera's global headquarters

Note 2: SOGI: sexual orientation and gender identity

Fulfillment of Human Capital — Human Resource cultivation —

Kyocera's New Business Idea Start-up Program cultivates a corporate culture where all employees strive to look to the future, freely express and act on ideas, and are eager to accept challenges presented through innovative pursuits. This program was developed not only to provide effective support to employees from the creation of new business ideas to commercialization but also to cultivate employees for future top management. Let's look at a case of this bottom-up type new business creation support program.



Matoil – a start-up service from Kyocera Bringing smiles to children with food allergies and their families



As the number of children with food allergies increases, the difficulties faced by the affected children and their families include restricted food choices, anxiety, and a sense of isolation from others.

One of Kyocera's human resource cultivation efforts, the New Business Idea Start-up Program established matoil to provide a solution to the challenges faced by children with food allergies.

Bringing happiness to mealtime

Matoil responds to diverse needs

With the hope of making sure that even children suffering from food allergies can look forward to mealtime with appetizing selections, matoil offers a wide variety of



meal choices that bring happiness to everyone regardless of food restrictions.

Delivering meals to children on school trips and vacations

The matoil project delivers a wide variety of delicious allergen-free meals to children on school trips and family vacations so that they can enjoy mealtime without having to worry about limiting their activities because of dietary restrictions.



Message

Accept challenges without the fear of failure in areas where the answers are still unknown

Department Manager
S Project Department Administration Division
Corporate Management Promotion Group

Minako Tani



Since I have a food allergy, I wanted to start a project to provide a solution to others with food allergies. At first, I was thinking of developing a food allergy app based on IoT tools that identifies restaurants with allergen-free menu choices. After talking with a wide range of specialists outside Kyocera, though, I gradually changed my thinking and began to see a food delivery service as a more effective solution. Development was a challenge at times, and progress was often slow, but it was worth it when I saw the smiles on the faces of children with food allergies and their families. The idea spread by word of mouth as matoil users shared their satisfaction with others, and a broad range of people with and without food allergies started expressing their support for the business. This boost encouraged me to continue.

I learned as I moved forward with development that there are no correct answers, and this gave me the freedom to explore new ideas and new directions without fear of failure.

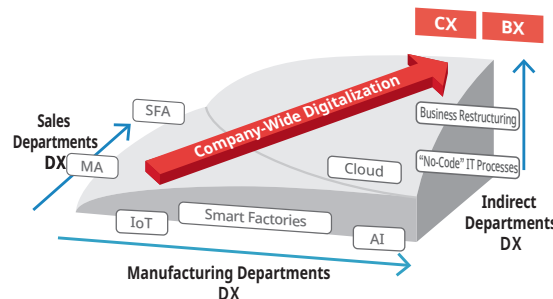
Interacting with many different people through this New Business Idea Start-up Program broadened my view and taught me a diverse sense of value. I am highly motivated to spread the word about matoil and develop the service into a familiar friend that everyone feels comfortable relying on.

Digitalization: A New Corporate Culture(DX)

The Kyocera Group is pursuing company-wide digital transformation (DX) to increase our competitiveness and respond to societal trends ranging from a declining population to changes in the way people work.

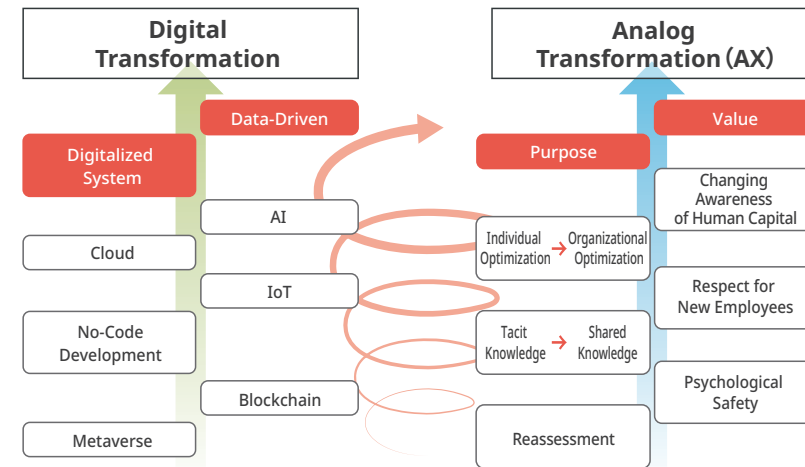
Leveraging DX into Corporate Transformation (CX) and Business Transformation (BX) by Enhancing the Corporate Culture and Workforce Expertise

The Kyocera Group is promoting digital transformation (DX) in all business segments in an effort to meet new societal needs while increasing our competitiveness in rapidly evolving markets. To maximize the value we provide our customers, we promote changes in corporate culture and employee awareness about data-centric management and organizational optimization for use as the driving force to strengthen our management base. We consider DX a necessary first step in advancing toward corporate transformation (CX) and business transformation (BX).



Relationship Between DX and Analog Transformation (AX)

As we move forward with digitalization in each department, we see areas where traditional corporate culture and habits present obstacles. The role of DX is to change the culture, overcome past practices, reduce fear of change, and unlock expertise that has become individualized. We will review our “analog” processes and use DX to create synergies that expand our business through an intersection of digital systems, corporate culture and employee knowledge.



Moving Toward Digitalization

1 Company-Wide Use and Sharing of Sales Data

2 Data Collection / Analysis Platform

3 Initiatives to Double Manufacturing Productivity

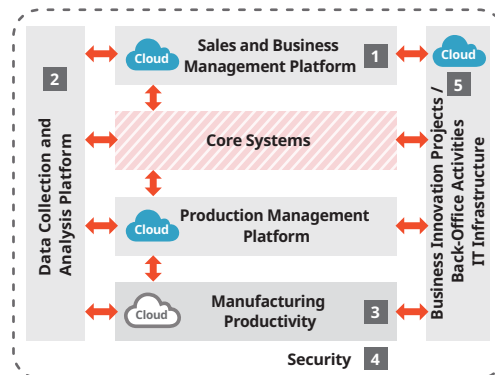
We conduct data-based reviews of manufacturing departments, and use data-sharing platforms to improve product quality and production efficiency.

4 Secure Data Networks

Cybersecurity measures maintain business continuity and ensure the safety of information assets.

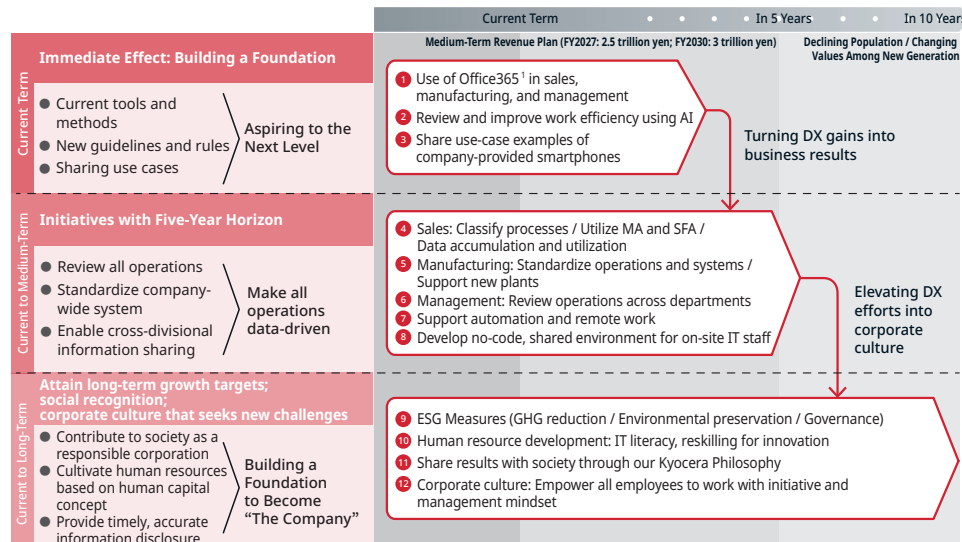
5 Improving Office Efficiency: Bottom-Up IT Skills

A bottom-up approach to IT skills development helps expand opportunities for process improvement.



Digitalization Timeframes

Since digitalization takes time to show results, we classify initiatives by timeframe — including those expected to bring immediate benefits, those contributing to the medium-term management plan, and those that support long-term growth (10-year horizon). Within the immediate-impact category, we are expanding deployment of cloud applications, applying AI to office processes, and expanding information-sharing over company-supplied smartphones. To support the medium-term plan, we are increasing data-driven operational efficiencies by creating a shared platform accessible to sales, manufacturing, and administrative teams. For long-term growth, we will implement measures for human resource cultivation preparing for ESG and human capital management, and the timely provision of accurate information to society, which bring the Kyocera Group closer to our goal of becoming “The Company” — the enterprise to which all others may respect.

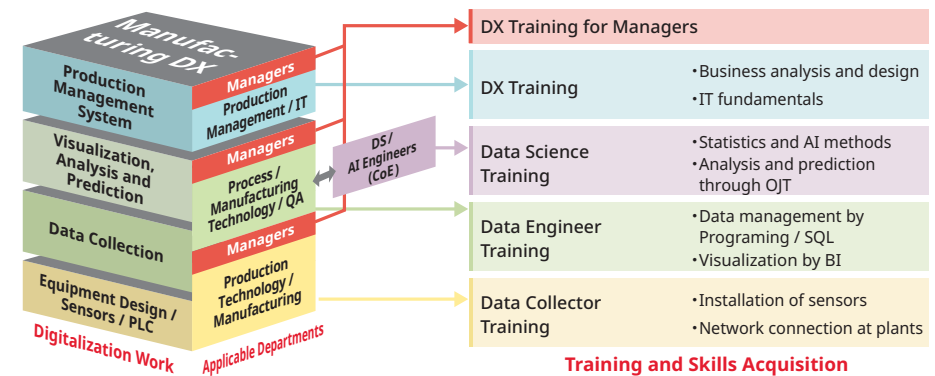


Human Resource Development by Position and Function

DX supports human resource development by enabling better education and training tailored to an employee's position and function. Manufacturing employees may receive periodic training on how to calibrate sensors that provide data from the production line; how to process real-time

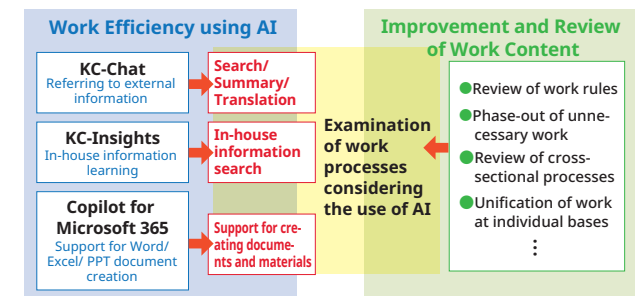
data for peak machine efficiency; how to use data analysis and predictive AI; and how to support upstream processes for digitalization. All of this is designed to cultivate skills development on the job. We also hold training on DX concepts for department managers, with sessions explaining the manager's roles and responsibilities for optimal DX implementation. This increases awareness of the need for DX and ensures a corporate climate that emphasizes a bottom-up approach to cultivating new talent.

Post-training surveys have shown these sessions to be successful in deepening managers' understanding of DX. We will continue to provide training to deepen employee understanding of digitalization in the workplace.



Improving the In-house Environment and Utilization of Generative AI

Kyocera established a closed in-house environment for generative AI to prevent the risk of information leaks. The company also established guidelines for the use of generative AI to mitigate legal risks and address ethical issues. Kyocera focused first on use in administrative divisions, and then reviewed the work to increase efficiency. The company will have the AI process and learn from in-house information to expand use in sales and manufacturing division operations.



Note 1 : Office365 is a product developed by Microsoft Corporation; reference used by permission.

Approaches to Carbon Neutrality

The Kyocera Group recognizes climate change as a priority issue and has publicly supported the Task Force on Climate-related Financial Disclosures (TCFD) since March 2020. We are implementing climate-change countermeasures by establishing a governance system for risk management that incorporates strategies, metrics and targets.

 Measures to Fight Climate Change -Information Disclosure Based on TCFD Recommendations-

Governance

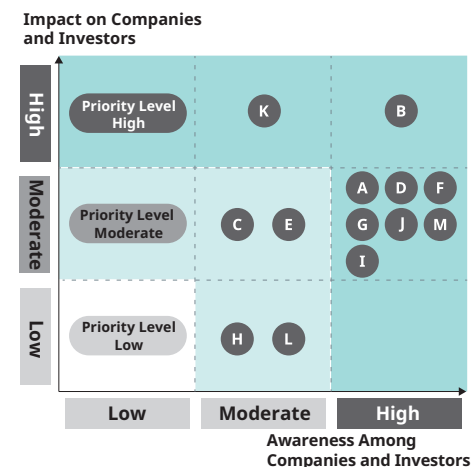
Climate change ranks among the Kyocera Group's key management priorities. Our Sustainability Committee meets semiannually with top management to determine climate change countermeasures and goals. Sustainability progress is reported to the Board of Directors and shared during semiannual International Management Meetings attended by the leaders of our global operations. In addition, we have established a Long-Term Environmental Targets Task Force under the auspices of the Sustainability Committee to oversee tactical implementation.

Risk Management

Our risk management efforts include identifying climate-related risks and opportunities within each value chain and evaluating them from two perspectives: 1) awareness level¹, and 2) impact level². We then categorize each risk by priority: high, moderate, or low.

- Evaluated based on survey results of external trends from answers given by other companies to corporate assessments of climate change, policies addressing climate change, and other factors.
- Evaluated by external institutions based on the probability of an event occurring and its impact upon occurrence.

Risk assessment process



Items	
A	Carbon pricing
B	Carbon emission target by nation
C	Energy-saving measures
D	Subsidies for renewable energy / related initiatives
E	Recycling regulations
F	Increased adoption of next-generation technologies in electronic components and semiconductors
G	Increased adoption of next-generation technologies in energy businesses
H	Changes in priority products/product pricing
I	Changes in consumer opinion of electronic components and semiconductors
J	Changes in consumer opinion of energy businesses
K	Changes in investor and consumer opinion
L	Changes in precipitation patterns and rising average temperatures
M	Intensifying extreme weather patterns

Strategy

Scenarios

Forecasting toward 2030, the Kyocera Group analyzed its own risks and opportunities from climate change, the impact of climate change on our business, and probable changes in our customers' industries by using the 1.5°C scenario¹ and the 2.6°C scenario² provided by the Intergovernmental Panel on Climate Change (IPCC). Since the trend toward decarbonization is particularly relevant to Kyocera's Smart Energy business, we used various renewable-energy adoption projections based on the 1.5°C scenario in assessing risks and opportunities. Based on this analysis, we expect to achieve our targets for GHG reduction by FY2031 and carbon neutrality by FY2051.

Note 1: A scenario in which average global temperature rises between 1.0 and 1.8°C by 2100 compared to pre-industrial levels (IPCC Sixth Assessment Report: SSP1-1.9)

Note 2: A scenario in which average global temperature rises between 2.1 and 3.5°C in 2100 compared to pre-industrial levels (IPCC Sixth Assessment Report: SSP2-4.5)

● Business Impact

We conduct business impact assessments on all items categorized as “high priority.”

■ Main Business Impact Assessment

Classifications	Risks and Opportunities	Changes in Operating Profit		Reference Materials and Calculation Methods
		2.6°C Scenario	1.5°C Scenario	
Manufacturing/Services	Increase in Carbon Pricing	▲10 billion yen	▲12 billion yen	Assuming achievement of the 2030 reduction target using the IEA's World Energy Outlook 2023 as a reference Method of Calculation Future company greenhouse-gas emissions × Future carbon price
	Increase in Energy Costs	▲15 billion yen	▲15 billion yen	Assuming achievement of the renewable energy target for 2030 using the IEA's World Energy Outlook 2023 as a reference Method of Calculation Future co-operative energy use × Renewable energy ratio (%) × 2030 electric power unit price
	Damage from Natural Disasters	▲3 billion yen	▲2 billion yen	Assuming that all domestic and overseas bases at high risk for potential flooding will be affected at some point by 2030 using the WWF Water Risk Filter, Aqueduct Flood, and Global Flood Depth-damage Functions as reference. Method of Calculation Amount of damage to bases by region and industry × Site area × Flood depth-damage coefficient
Sales and Consumption	Expansion of Energy Businesses	0 billion yen	▲6.5-8.5 billion yen	Estimated using the IEA's EV Outlook 2022, the Renewable Energy Institute's Proposal for 2030 Energy Mix in Japan (First Edition), the WWF's Net Zero Emissions by 2050 Scenario, and METI's Strategic Energy Plan and Outlook for Energy Supply and Demand in FY2031 as reference Method of Calculation Sales Revenue by Related Businesses × Operating Profit Ratio × Market Expansion Ratio

Countermeasures

● Measures Addressing Rising Carbon and Energy Prices

To enhance its GHG reduction measures, Kyocera has divided the timeframe from FY2020 to FY2031 into four periods, with phased targets for power conservation and renewable energy adoption.

	Phase 1 FY2020 to FY2022	Phase 2 FY2023 to FY2025	Phase 3 FY2026 to FY2028	Phase 4 FY2029 to FY2031
Renewable Energy Adoption	On-site Install solar power generation at Japanese and International operations			
	Off-site Install “self-consignment” solar power generation in Japan			
		Off-site Install “PPA” solar power generation in Japan		
Energy Conservation/Savings	Install exhaust heat recovery systems			
	Install superior energy-saving equipment			
		Application of Energy-Saving Design and Optimal Operation of Clean Rooms		
		Visual energy monitoring for production equipment		
	Shift away from petroleum (to natural gas and others) and steam (electrification/humidification)			Review hydrogen/ammonia use

» New Renewable Energy Options

Since FY2021, the Kyocera Group expanded the use of renewable energy with the implementation of independent power generation and a wheeling system¹ using off-site solar power generation equipment. The Group also concluded a power purchase agreement (PPA)² involving renewable energy supply and demand (solar power, wind power, and biomass power generation). In addition, the Group has installed solar power generation systems on buildings and in parking lots at plants and offices both in Japan and overseas.

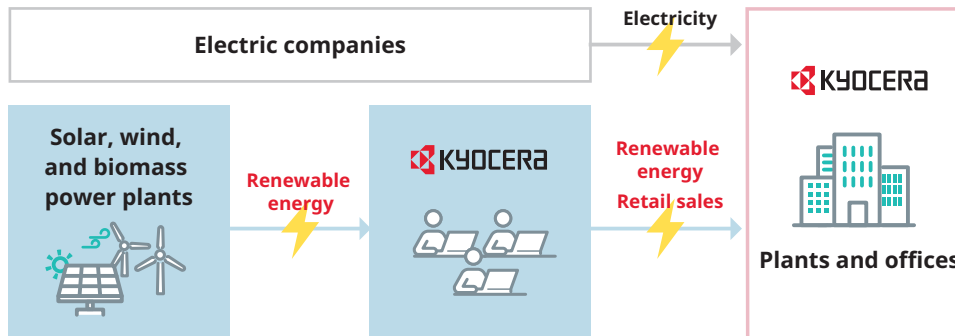
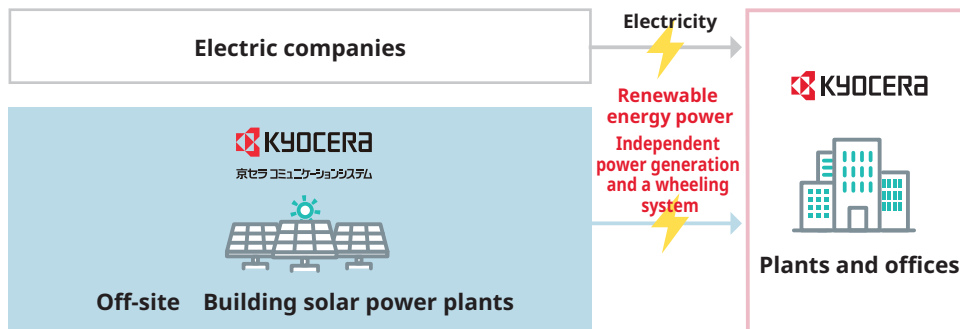
On-site Solar Power Installation



Installation of Solar Panels in the Parking Lot at the Shiga-Yasu Plant

Note 1: Self-consignment allows power generated by a system owner to be supplied to other off-site users over the utility power grid.

Note 2: A power purchase agreement (PPA) allows users to benefit from renewable energy without having to own power-generating equipment

Off-site Expanding the installation and use of renewable energy**(1) Renewable energy power supply based on PPA****(2) Renewable energy power supply through an independent power generation and wheeling system****» Promotion of Saving Energy****Replacement of deodorizers with hybrid catalysts**

The Kyocera Group installed new waste gas treatment equipment at certain plants to mitigate the effects of waste gas and odor generated from the manufacturing process. Existing waste gas treatment equipment filtered heated waste gas using a platinum catalyst to oxidize and decompose the waste through chemical reactions into harmless ingredients. However, replacement of the system with a hybrid catalyst, a combination of a low-temperature and platinum catalysts, made it possible to reduce the combustion temperature, which helps reduce the need for city gas by about 60% compared with that of FY2023. The Group will discuss the implementation of this hybrid catalyst inside Kyocera Group plants and offices.



Appearance of the Deodorizer

Improvement of GHG emission efficiency through visualization of the compressor

The Kyocera Group is moving forward to visualize GHG emissions from individual pieces of manufacturing equipment at plants. The Group will check target values against actual results in a timely manner to reduce GHG emissions and strive to conserve the power of compressors, an important piece of utility equipment, while aiming to prevent defects through efficiency monitoring.



Visualization of Compressors

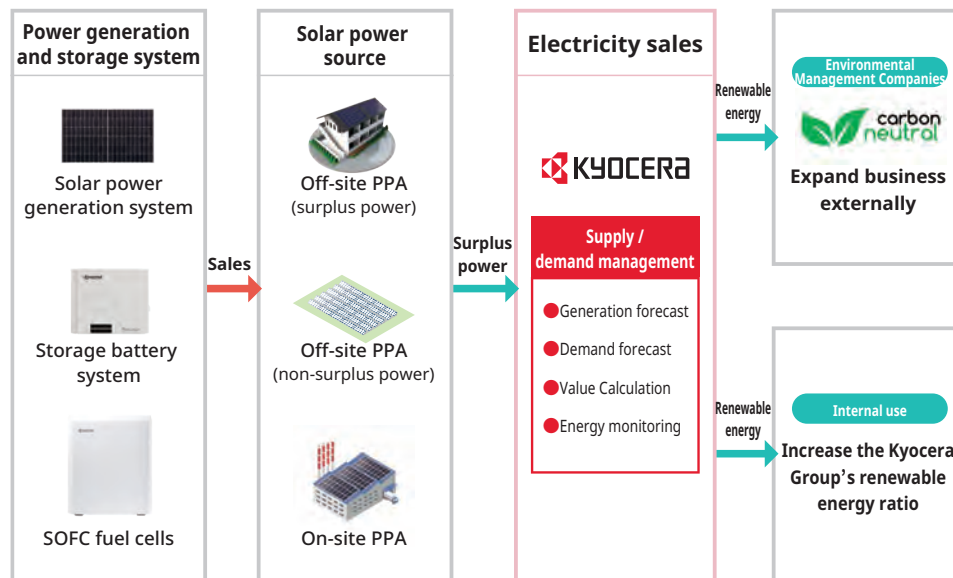
● Natural Disaster Countermeasures

As part of our risk management efforts, the Kyocera Group assesses geographic variables in planning countermeasures to potential natural disasters. These include installing water barriers at facilities in flood-prone regions and assessing flood stage data during facility planning or expansion.

● Expansion of Smart Energy Businesses

Kyocera is aggressively expanding its use of renewable energy resources internally. In addition, we are branching out externally with our Smart Energy businesses. This includes purchasing surplus power generated by homes, other businesses, and large-scale solar power plants, applying analytics to balance energy supply with demand, and selling the surplus renewable power to other users.

■ Vision for the Kyocera Group renewable energy services



Metrics and Targets

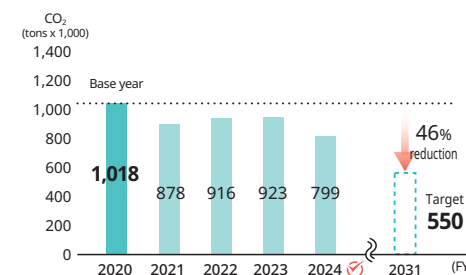
Since the signing of the Paris Agreement in 2016, governments have been collaborating with industry to reduce GHG emissions. Kyocera likewise considers climate change is an urgent issue. In 2018, we adopted long-term efforts to help limit average temperature rise to less than 2.0°C above pre-industrial levels and received SBT¹ certification in 2019. We updated this target to 1.5°C in 2021, acquiring SBT 1 certification in May 2022.



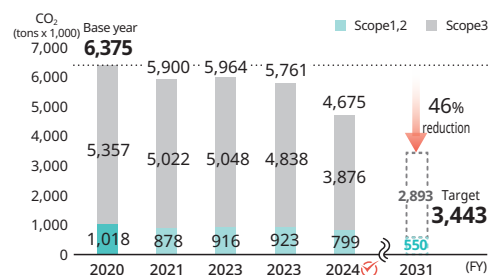
GHG Emissions (Scope 1, 2 ²) Reduction Target (1.5°C -level)	Reduce by 46% by FY2031 (compared to FY2020 levels, SBT certified)
GHG Emissions (Scope 1, 2 ² , 3 ³) Reduction Target (1.5°C -level)	Reduce by 46% by FY2031 (compared to FY2020 levels, SBT certified)
Renewable Energy Implementation Target	Increase 20x by FY2031 (from FY2014 levels)
Carbon Neutrality	Achieve by FY2051

Note 1: Science Based Targets Note 2: Scope1 Direct emissions associated with fuel consumption and production processes, Scope2 Indirect emissions associated with consumption of power or heat purchased from outside
Note 3: Indirect emissions other than Scope 1 or 2 (Including procurement of raw materials, transport, use and disposal of products, as well as employee commuting and business trips)

■ GHG Emissions (Scope 1, 2)



■ GHG Emissions (Scope 1, 2, 3)

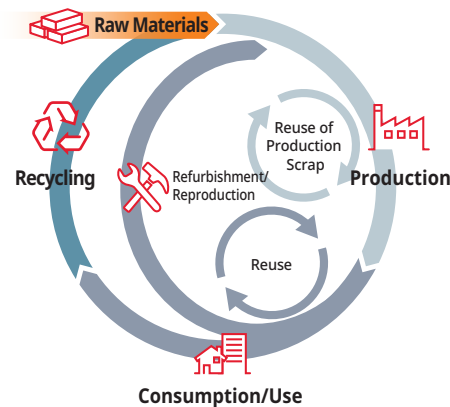


Contribution to the Circular Economy

The Kyocera Group aims to establish a recycling system that reduces the consumption of natural resources in its efforts to protect the global environment and realize a sustainable society. Specifically, Kyocera recycles waste from the different divisions produced through business diversification as necessary resources.

The Circular Economy Concept

Recently, people have become more interested in the circular economy, and the trend for regulation through laws and standardization has become more prevalent around the world. Utilizing the long-term technological capabilities and strengths of business diversification, the Kyocera Group strives to develop a recycling-oriented society. The Group includes recycling and reuse as essential aspects of product design to maximize the effective use of resources and reduce the environmental impact throughout the entire product lifecycle.



Case 2 Recycling of Disposed PET Film

Used PET film is generated during the production of ceramics, which can be recycled only by thermal methods. The Kyocera Group has been working on upcycling within the group to address the issue in the following manner.



Image of used PET Film

- 1 The Kyocera Group reduced the disposal of used PET film and minimized the use of new ingredients by reusing PET film for toner containers for multi-function products (MFPs). Kyocera set the goal of using recycled materials at a level of 50% for MFPs.



MFPs and toner containers

- 2 The Kyocera Group maximizes the reduction of PET film waste and minimizes the use of new ingredients by reusing PET film as an ingredient for PET product trays. The company set the goal of using recycled PET film at a level of 50% for trays.



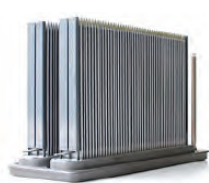
Image of PET Product Trays

Case 1 Collecting rare earth elements from fuel cells

As a part of the approaches to sustainable product development and resource circulation, Kyocera has collected used fuel cells from markets and the extraction of rare earth from cell stacks. The development of technology contributes significantly to the recycling of rare earth minerals.



Fuel Cell



Cell Stack



Rare Earth

Biodiversity Conservation

The Kyocera Group supports environment-friendly, sustainable growth by promoting both ecology and economy.

The Biodiversity Concept

Survival depends on the many gifts of nature. Nevertheless, a forest area equivalent to one-fifth of Japan's land mass is lost from the earth every year — and extinction rates have accelerated 1,000 times because of human activity over the past several hundred years, making biodiversity an extremely serious issue.

Since business activities depend on ecosystems but also having a significant impact on them, protecting biodiversity is an important aspect of environmental management for sustainable growth. The Kyocera Group management philosophy includes living together to coexist harmoniously with our society, our global community and nature. In line with this, the Group strives to conduct its corporate activities in harmony with nature based on coexistence with society, the global community and nature. The Group also aims for a more sustainable society by minimizing the environmental impact of our business and protecting the natural environment based on the Kyocera Group Environmental Safety Policy.

- Reduce natural environmental destruction and ecological impacts, such as avoiding areas of significant biodiversity
- Conduct environmental impact assessments and work to mitigate impacts, including minimization, restoration, and offsets
- Actively promote the greening of business sites
- Participate in and support social contribution activities in cooperation with external partners

Since 2010, we have participated in the Nippon Keidanren's "Declaration of Biodiversity" and have endorsed the Keidanren Declaration of Biodiversity and Action Guidelines (revised version) proposed by the Keidanren Declaration of Biodiversity Initiative since 2020.

Efforts to Conserve Biodiversity

To improve environmental awareness among employees while addressing issues of climate and biodiversity, the Kyocera Group engages in domestic reforestation efforts, biotope development, protection of endangered species, and efforts to preserve and cultivate traditional vegetables in local communities.

Exceeding the goal of engaging in 29 biodiversity protection activities in FY2024, Kyocera actually conducted 30 activities. In FY2025, the company plans to increase this to 47 biodiversity protection activities.

FY2024 Target	Performing 29 biodiversity protection activities
FY2024 Results	Performed 30 biodiversity protection activities
FY2025 Target	Performing 47 biodiversity protection activities

» Promoting Kyocera Forestation Activities

The Kyocera Group is working regenerate natural greenery on factory grounds and in the local forests. Its activities focus mainly on thinning, weeding, and planting trees in collaboration with forestry associations and local residents.



Thinning work

» Biodiversity Survey at a Plant

The Shiga-Yasu plant conducted a joint biodiversity survey with an external organization to understand the current status of the biotope and other green spaces at the plant and to develop guidelines for biodiversity protection activities. The survey on plants, insects, birds, and aquatic organisms showed that native species, endangered plants and animals, and trees native to the region inhabited the biotope and the green spaces at the plant, and these have become valuable habitats for the organisms in the surrounding area. Within the biotope, we found signs of a colony of *Celtisaspis japonica* larvae, listed as a near threatened (NT) species on the Red List compiled by the Ministry of the Environment, Japan (MOEJ Red List), and listed as a principal species in the Red Data Book published by Shiga Prefecture. The company will continue to conduct effective activities that contribute to the protection of biodiversity in the region based on the results of the survey.

Respect for Human Rights

The Kyocera Group is committed to ensuring respect for human rights throughout the value chain in order to fulfill its management rationale and create a more sustainable society.

Human Rights Policy & Promotion Structure

● Human Rights Policy

With the UN Guiding Principles on Business and Human Rights as a foundation, the Kyocera Group fulfills its responsibility to protect human rights by preventing violations caused by corporate activities and taking appropriate action against any negative impact that its activities might have on human rights. While respecting human rights under the Universal Declaration of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work, the company also respects the rights of children in accordance with the Children's Rights and Business Principles. In addition, the company supports international codes of conduct, including the OECD Guidelines for Multinational Enterprises, and is a signatory to the Ten Principles of the UN Global Compact. The Kyocera Group have also established the "Kyocera Group Human Rights Policy" as one of the codes of conduct for employees based on the "Kyocera Philosophy," the criteria for realizing the "Management Rationale." In August 2024, with the approval of the Board of Directors, the report was revised to reflect the efforts made so far, and signed by the President and Representative Director of Kyocera Corporation, in order to demonstrate the company's strong top commitment to respect human rights, which is an important corporate issue.



Human Rights Due Diligence

The Kyocera Group conducts human rights due diligence to identify, prevent, and reduce any negative impact on human rights that may occur along its value chain. Human rights due diligence aggressively reflects opinions within and outside the company, including rights holders. In the event a negative impact on human rights is identified or even suspected anywhere along the value chain, the company will respond promptly through aggressive communications.

● Promotion Structure

The Kyocera Group considers risks regarding human rights as corporate risks. Human rights due diligence results are reported and approved by the president of Kyocera Corporation at meetings of the Risk Management Committee. Human rights and other agenda items discussed at meetings of the Risk Management Committee are properly reported to the Board of Directors for supervision. Serving as the secretariat, Kyocera's Corporate General Affairs Human Resources Group implements human rights initiatives with support from both internal and external specialists, and cooperates with supply chain and related divisions.

Plans for Respecting Human Rights

The Kyocera Group has been identifying salient human rights issues since FY2023 through Kyocera's Working Team for Human Rights in cooperation with third-party sustainability experts. The company obtains surveys of actual conditions in all Kyocera Group companies to ensure that the necessary corrective measures are implemented when a negative impact on human rights is identified or suspected. Kyocera continues its monitoring activities to ensure that such corrective measures are effectively implemented as the company works on human rights due diligence to understand and respond to changes in internationally recognized human rights. Furthermore, to expand the human rights initiatives, major Kyocera Group companies will work together to establish a framework to implement human rights due diligence.

● Implementation of Human Rights Impact Assessment

Identification of Salient Human Rights Issues

Survey Target and Scope

Region: Areas surrounding Kyocera Group and supplier operations
Scope: Kyocera Group value chain¹ and rights holders²

Survey Method

■ Steps to Identify Human Rights Issues



Note 1: Resource mining; raw materials procurement and transport; R&D and manufacturing; construction; product and service use; product disposal

Note 2: Employees (unconsolidated companies); employees (Group companies in Japan); employees (Group companies outside Japan); suppliers; temporary employees; contractors; local residents; consumers

Survey Results

Following these steps to identify human rights issues, Kyocera listed 15 countries and regions as high-risk regions based on the severity and potential for occurrence and identified the 13 areas of salient human rights risk shown below:

No.	Salient Human Rights Issues Identified	Rights Holders				
		Suppliers	Group company employees (in Japan)	Group company employees (outside Japan)	Temporary Employees / Contractors	Local Residents Consumers
1	Forced labor	✓		✓	✓	
2	Child/underage labor	✓		✓	✓	
3	Occupational health and safety	✓	✓	✓	✓	
4	Right to social security			✓	✓	
5	Fair wages	✓		✓	✓	
6	Fair working hours	✓	✓	✓	✓	
7	Discrimination in the workplace	✓		✓	✓	
8	Freedom of association and right to collective bargaining	✓		✓	✓	
9	Rights of migrant and foreign workers	✓		✓	✓	
10	Social discrimination and invasion of privacy	✓				✓
11	Harassment	✓	✓	✓	✓	
12	Impact on local communities (environmental and social)					✓
13	Product safety					✓

Salient Human Rights Issues Impact Assessment

In order to understand the impact of identified salient human rights issues on rights holders, the company conducted questionnaire surveys at 131 companies, including Group companies, suppliers, and on-site contractors.

Survey Results and Future Plans

Based on the questionnaire survey, the company will examine the potential negative impact on human rights. If the potential for negative impact on human rights is identified, Kyocera will take prompt corrective measures. At the same time, the company also works on addressing such issues at suppliers and on-site contractors through aggressive communication with the relevant parties.

● Impact Assessment regarding Migrant and Foreign Workers Rights (Dialogues with Stakeholders)

Questionnaire Survey

Survey Target

Five Kyocera Group companies; 413 Japan-based suppliers¹

Note 1: Materials Suppliers, Other Suppliers including human resources suppliers and on-site contractors, and Partner Companies

Background and Purpose of the Survey

In recent years in Japan, serious human rights violations against migrant and foreign workers involving minimum wage legislation and forced repatriation have been identified. In response, the Kyocera Group conducted a survey of vulnerable migrant and foreign workers regarding salient human rights issues.

Survey Results

Survey results from all companies employing migrant and foreign workers revealed no human rights issues; however, the survey did identify certain inherent risks regarding the employment of migrant and foreign workers along with potential issues regarding the employment of migrant and foreign workers, including technical interns, at our suppliers.

On-site Survey

To further understand matters identified at Japan-based suppliers through questionnaire surveys, Kyocera conducted on-site surveys of sustainability at the suppliers (four material suppliers and one on-site contractor) that employed migrant and foreign workers, including technical interns, jointly with third-party experts

Survey Method

Assessment of Records and Documents

The company assessed records and documents (employment agreements, labor regulations, wage slips, attendance records, whistle-blowing records, etc.) at the supplier in the presence of the supplier's representative.

Interviews of Migrant and Foreign Workers

Kyocera personnel conducted 20-minute interviews with migrant and foreign workers selected by suppliers in advance to confirm conditions, including work content, hours, wages, living environment, health and safety, discrimination, and harassment.

Interviews of Supplier Managers

Kyocera personnel confirmed responses to the results of the survey and interviews of migrant and foreign workers held in the previous year.

Results

1

Interviews with migrant and foreign workers enabled the company to confirm that its suppliers engaged in fair and honest communications and provided an effective consultation system to address employee work and living concerns. The company was able to confirm that suppliers hiring technical interns had supervising organization that provided consultations in the relevant individuals' languages.

2

On the other hand, the companies' issues included insufficient language support, the lack of disaster drills at dormitories, and the absence of secure lockers for storing valuables in rooms.

Corrective Measures and Future Countermeasures

- 1 With regard to the identified issues, the company explained the importance of corrective action, conducted on-site surveys to ensure the resolution, prevention, and reduction of negative impact on human rights, and made proposals to address human rights issues identified at suppliers. Kyocera confirmed that some suppliers have already taken effective corrective action.
- 2 Managers at suppliers indicated a lack of awareness that matters pointed out in feedback during on-site surveys were serious human rights issues, highlighting the benefit of surveys in ensuring a better understanding of risks. The company is confident that this approach has led to positive corrective measures taken by suppliers.
- 3 Making use of questionnaires, on-site surveys, and interviews with workers at our suppliers, the company regularly monitors compliance to the Kyocera Group Responsible Business Conduct Guidelines. We also provide opportunities for communication with partner companies to ensure a thorough understanding of the importance of protecting human rights.

● Initiatives to Reduce and Prevent Human Rights Risks

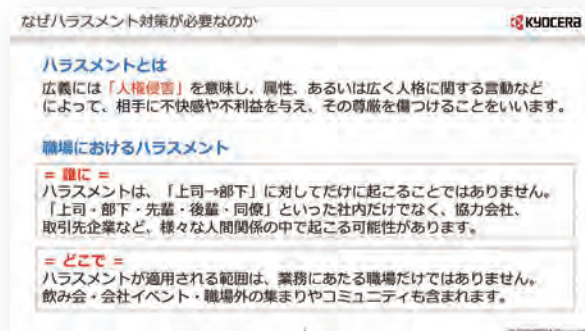
Dissemination of Initiatives

The Kyocera Group is working to establish a Group-wide human rights due diligence framework by FY2026 to advance initiatives designed to reduce human rights risks. The company is also enhancing its approaches to employees as a way to further prevent and reduce human rights risks.

Human Rights Education and Training

» Education on Harassment and Discrimination

Kyocera designated May of each year as Morality Month. Education on harassment and discrimination is provided to all employees, and the Harassment Prevention Handbook is publicized via company intranets to promote preventive measures against harassment and discrimination. Furthermore, in addition to study sessions for managers, special training sessions that include case studies and discussions are provided as part of the commitment to ensuring a workplace entirely free from harassment and discrimination.



Education Materials Regarding Harassment and Discrimination



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Human Rights Protection and
Harassment Prevention Handbook

Grievance Mechanisms and Remedies

● Consultation Service Desks

In addition to the anonymous employee consultation service desk, Kyocera established a third-party consultation service desk in FY2022 to serve as a grievance mechanism with appropriate considerations taken for privacy to monitor human rights violations, harassment, and discrimination. The anonymous employee consultation service desk provides consultations, reports noncompliance with the code of conduct, violations of laws and regulations (including harassment), conducts in-house surveys, and implements corrective measures when necessary. To ensure improvement of corporate governance and to facilitate the early detection and prevention of issues related to laws and compliance, the Kyocera Group established a compliance hotline that allows individuals outside Group companies to report issues. Based on the reports received, the company conducts surveys and implements corrective measures.

Improving Stakeholder Engagement

To understand societal needs and provide solutions, we continue to improve our communication with stakeholders to make decisions based on their opinions.

Stakeholder	Purpose	Method	FY2024 Achievements	Approaches	URL
 Customers	Customer satisfaction depends on higher quality products and services.	- Customer support services - Information provided on our website - Dialogue in our markets and at exhibitions - Customer service office	Number of inquiries 3,604	The Kyocera Group maintains a customer service office to improve customer satisfaction by responding to any inquiries, comments, or complaints in a sincere and timely manner.	 Approaches to Raising Quality and Customer Satisfaction Levels
 Employees	We strive to build a working atmosphere of enthusiasm based on our 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."	- Workplace Vitality assessment - Dialogue through information in company newsletters and intranet - Round-table discussions and Q&A with top management	Response rate, workplace assessment surveys 93.6% (Subjects: 29,781 employees) Round-table discussions 5	The Kyocera Group in Japan conducts workplace Vitality assessment with employees to help bolster a sense of dynamism in the workplace. The Kyocera Group holds round-table discussions between employees and top management to exchange opinions, and the content is shared with all employees in company newsletters.	 DEI Promotion
 Shareholders	Opinions and requests from shareholders are shared with top management and related internal departments to improve management initiatives and identify key issues.	- General meeting of shareholders - Financial results and business summary briefings for institutional investors - Company information sessions with individual investors - One-on-one meetings with institutional investors in Japan and abroad - Participation at institutional investor conferences hosted by brokerage firms - Website (Information for shareholders and investors)	Financial results briefings for institutional investors:4 Approx. 370 participants One-on-one meetings with institutional investors Approx. 350 Company information sessions with individual investors:2 Approx. 470 participants	The Kyocera Group holds briefings on the financial results and business summary for institutional investors. The Group holds individual meetings with major active, passive, and other investors in Japan and overseas. Top management and individuals in charge of IR at corporations actively participate in the meetings. The Kyocera Group holds online company information sessions for individual investors in addition to providing access to archives and posting videos on its official website.	 Financial Presentation Materials  Business Presentation Materials
 Business associates	We demand fairness and transparent dealings to promote sustainable growth with business partners and fulfill our social responsibilities concerning human rights, labor and environmental protection.	- Seminars and social gatherings with suppliers - Dialogue through procurement activities - Surveys on sustainability activity status	Seminars and social gatherings with suppliers 250 participants from 215 companies Response rate, surveys on sustainability activity status 100% (Subject companies: 319)	The Kyocera Group holds seminars and social gatherings for suppliers. Annual awards are presented to the most outstanding suppliers of the year. The Kyocera Group conducts surveys of major suppliers to confirm the state of sustainability activities within our supply chain.	 Supply Chain Management
 Local communities	In recognition of the fact that a company serves as a member of society, we fulfill our responsibility as a good corporate citizen to support the development of local communities not only through our business but also through various social contribution activities.	- Social contribution activities - Dialogue with local residents and businesses	Off-site classes on environment and energy 1,352 participants Participants in briefing sessions 81 participants	The Kyocera Group offers off-site presentations on the environment and energy to children as a part of its environmental protection activities, to explain the importance of preserving our global environment. The Kyocera Group invites residents, business partners, administrative officials, and neighboring companies to its briefing sessions, where we conduct dialogue on our sustainability activities.	 Environmental Communication  Stakeholder Engagement

Supply Chain Management

The Kyocera Group established the Basic Policy on Purchasing to ensure that transactions with business associates are fair and transparent. In addition, as a member of the Responsible Business Alliance (RBA), the Kyocera Group continuously strives to ensure sustainable supply chains through compliance with the RBA Code of Conduct.

Policy on Procurement

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.” We view our commitment to fairness in supply chains as a key requirement toward fulfilling this ideal. The Kyocera Group believes that mutual prosperity is possible only if all supply-chain stakeholders — including development, production, sales, and service enterprises — work together to address societal needs. This demands continuous engagement with business partners through mutual trust. In December 2020, Kyocera announced its “Declaration of Partnership Building” to promote deeper collaboration with existing suppliers and other businesses seeking to create new value.

The Kyocera Group revised its Declaration of Partnership Building in March 2024 to include all suppliers.

 [Declaration of Partnership Building \(Japanese only\)](#)

Risk Assessment for Suppliers

● Supply Chain Survey

The Kyocera Group has established “Kyocera Group Responsible Business Conduct Guidelines” to monitor the sustainability performance of our business partners in such areas as human rights, responsible mineral procurement, and business continuity planning.

Using these guidelines, we conduct annual supplier surveys of practices affecting human rights and labor, the environment, health and safety, fair trade and ethics, quality and safety, business continuity planning (BCP), and information security, among other areas. Our Kyocera Group Human Rights Policy provides a foundation for deeper engagement in human rights due diligence as well.



Kyocera Group Responsible
Business Conduct Guidelines

» Targets

To promote sustainable procurement, Kyocera has set a goal to achieve a supply chain with no (0%) enterprises rated as “high risk” in the areas of human rights, labor, and ethics.

» Results

Our FY2024 survey of 351 key suppliers identified two with high-risk scores; however, none rated “high risk” for both human rights, labor and ethics, the areas Kyocera has identified as priority.

» Audit for Risk Reduction

We audit suppliers whose survey ratings reveal risk and engage them in direct dialogue for improvement.

In FY2024, we requested formal corrective action plans from both suppliers with “high-risk” ratings. Both suppliers implemented corrective actions within 12 months.

Number of Key Suppliers Surveyed	Number Identified as High-risk	Improvement Among Suppliers with Risk
319	5	100%

Future Initiatives

The Kyocera Group will continue to monitor its supply chains through surveys and audits. We plan deeper engagement among all business partners on key issues, including a new initiative for human rights due diligence. We will continue to investigate risks and seek continuous improvement to build stronger supply chains globally.

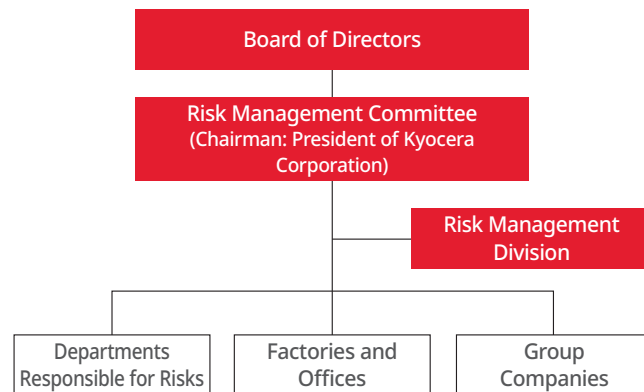
Risk Management and Business Continuity Plan (BCP) Initiatives

The Kyocera Group recognizes a rising need to monitor our supply chains amid the decoupling of the world's economies, which is increasing the factors often referred to as "VUCA" — volatility, uncertainty, complexity, and ambiguity. We will strive to reinforce our management foundation and achieve sustainable growth by pursuing risk management, compliance, and BCP activities essential for survival in these uncertain times.

Risk Management

The Kyocera Group holds periodic meetings to review risk management policies, identify corporate risks, assign risk owners, and monitor progress in risk-handling. The items discussed by the Risk Management Committee are reported to the Board of Directors, and policies are shared among departments responsible for risks, factories, branch offices, and Group companies. The company also established a Risk Management Division in April 2023 to reinforce our risk management structure.

■ Organization Chart of Risk Management



Risk Management Process

The Kyocera Group conducts regular assessments to identify, analyze, and evaluate major risks as well as to analyze and evaluate risks identified by external specialists in their reports. By examining major risks inside the Group and external environment, the company can then identify corporate risks with significant potential to impact business, implement the necessary countermeasures, and review the risk-handling process using the plan, do, check, act (PDCA) improvement cycle shown below.

■ Corporate Risk Management Process Flow



Corporate Risk

Corporate risks and countermeasures identified through the risk management process are as follows:

Risk Classifications	Specific Risk Details	Main Countermeasures
Risks Regarding Economic Security	● Risk related to unexpected changes in laws and regulations regarding economic security policies, investment regulations, product import and export restrictions, and/or restrictions on repatriating profits, due to political, geopolitical, or economic factors affecting international business operations	● Establish an economic security project to enact risk prevention measures such as the monitoring of international risks ● Collect information about changes in regulations regarding investment and profit repatriation, and take all necessary measures
Risks Regarding Human Rights	● Legal and/or reputational risk related to changing laws and regulations regarding human rights both at the Group companies and in supply chains	● Respect human rights of all stakeholders associated with the Kyocera Group, including employees, customers, shareholders, investors, and business partners, and take action to reduce or eliminate any human rights risks ● Comply with EU Conflict Minerals Regulations and other legal requirements; survey, evaluate and take corrective measures for risks related to conflict materials and human rights violations. ● Join the Responsible Business Alliance (hereafter, RBA); conduct human rights due diligence on supply chain, and provide education about the prohibition of harassment and discrimination
Risks Regarding Information Security	● Risk of damages from information leakage, falsification, loss, or business interruption due to hardware or software failure or cyberattack ● Risk of additional cost for information security in response to new requirements related to technical innovation and customer demands ● Reputational risk and loss of business competitiveness caused by information breach, loss or hacking	● Improve rules regarding information security ● Provide education to employees, enhance security measures for networks and IT assets, and reinforce business continuity plans (BCP) to establish rapid recovery measures
Risks Regarding Barriers to the Hiring of Excellent Human Resources	● Risk of becoming unable to fulfill human resource requirements due to fierce labor market competition and shrinking labor pool ● Risk of becoming unable to maintain current human resources by not improving work-life balance, or not promoting diversity and social inclusion	● Secure adequate human resources with an eye on the future, including further expansion outside Japan, and salary levels adjusted to local labor markets and inflation rates ● Improve work-life balance; promote diversity and inclusion; implement flexible work systems
Risks Regarding Earthquakes and Other Natural Disasters	● Risk to business from large-scale disasters caused by earthquake, typhoon, heavy rain, flooding or other inevitable natural disasters, equipment failure, and/or human error ● Risk to financial performance and business results from direct damage caused by disaster, and/or economic harm caused by impaired market conditions resulting from disaster	● Develop BCP structures that model earthquakes and other natural disasters, as well as large-scale disasters caused by equipment failures or human error; prepare countermeasures in advance ● Create disaster-response plans to ensure early recovery and supply-chain alternatives; conduct BCP education and training

Business Continuity Plan (BCP)

The Kyocera Group maintains a policy of seeking prompt recovery and resumption of operations following any disaster-related interruption in business, as reflected in our BCP. A marked increase has been noted recently in the number of risks that pose a threat to business continuity, including natural disasters such as earthquakes, violent storms, pandemics, and supply chain risks caused by international conflict. We review all potentially disruptive risks and prepare aggressive countermeasures by securing equipment, components, and raw materials critical to our operations, and identifying alternate means of production. We are also incorporating business continuity management (BCM) activities, including education and training, with regular review.

Cooperation Among Related Divisions when Incidents Occur

To appropriately handle risks surrounding the Kyocera Group, the company provides prompt initial responses to mitigate impact and ensure early business recovery. Each department responsible for risks develops and maintains the emergency response system and establishes emergency headquarters when necessary. For example, if a cybersecurity incident were to occur, Kyocera would initiate the emergency response system in cooperation with the relevant divisions based on the emergency response rules to coordinate announcements, report to the proper authorities, and conduct surveys depending on the specialty of individual departments.

Compliance

The Kyocera Group operates within a corporate culture guided by our Kyocera Philosophy and its general criterion for decision-making: “Do the right thing as a human being.” This criterion emphasizes the concept of coexisting harmoniously with society amid the traditions and cultures of our host communities. Recent years have seen an increase in international laws and regulations that reflect the spirit of our philosophy, and other corporations are adopting their own similar approaches. The Kyocera Group understands the importance of legal compliance and conducts business in accordance with all applicable laws and regulations.

Compliance Initiatives

To further emphasize the importance of compliance within the Group and among external stakeholders, the company established the Kyocera Compliance Statement. This statement spells out the global-scale efforts that the Group exerts on a proactive basis. Kyocera divisions and overseas Group companies collaborate to ensure effective responses to rapid changes in laws and regulations. For example, following enactment of the European General Data Protection Regulation (GDPR), which introduced strict laws on the handling of personal data in many regions, Kyocera Group companies initiated a program to continuously monitor data collection and retention practices to ensure compliance. In response to expanding anticorruption laws and regulations, which have impacted even well-known global corporations, the company created the Kyocera Group Basic Policy on Anti-Corruption as a guide for global business activities, established a specific anticorruption prevention structure within the Kyocera Group under the anti-corruption regulations of Kyocera Corporation, and promoted Group-wide implementation of internal regulations while providing employee education to thoroughly publicize the rules and procedures. Furthermore, to enhance compliance with the Antimonopoly Act, the Kyocera Group published its own Global Antitrust Compliance Manual and implemented the Antimonopoly Act Compliance Regulations throughout the Group. To ensure continuing adherence to the Antimonopoly Act Compliance Regulations over time, the company monitors each Group company on an ongoing basis and provides guidance when appropriate. This is conducted in addition to periodic in-house education to bolster compliance. The program of compliance education includes e-learning in cooperation with Group companies both in Japan and overseas.



Kyocera Global Legal
Compliance IP Meeting

● Global Five-Region Legal and IP System

Our proactive M&A strategy has seen the number of Kyocera Group companies grow to around 300, with more expected in the future.

For efficiency, the Corporate Legal and Intellectual Property Group divides the globe into five regions. Each local headquarters works with the Kyocera Group companies in its region to build a system for reducing legal risk and ensuring compliance. Building a collaborative network be-

tween Group companies is vital for efficient global compliance.

To facilitate this, we organized Kyocera Group Global Legal Compliance Meetings for the headquarters and operating companies in each region to discuss our policies and identify local challenges.

● Strengthening Cooperation Among Related Divisions and Manufacturing Sites

The Kyocera Group initiated the following measures to ensure compliance at all manufacturing sites.

» Compliance Conference

In order to promote compliance at each business site, Kyocera Corporation appointed risk management and compliance leaders in each business segment and holds conferences twice yearly with allied divisions and domestic partner companies as well as risk management and compliance leaders. These conferences help the company to establish annual plans, confirm progress, share information, and exchange opinions on the topic of risk management and compliance.

» Compliance Promotion Month

Kyocera Corporation designated December as Compliance Promotion Month, during which it emphasizes enlightenment and education regarding compliance to all employees. To heighten employee awareness of the importance of compliance activities, the company publicizes messages from the president, thoroughly disseminates key priorities at morning meetings, and provides e-learning exercises to all employees. Furthermore, Kyocera established a number of new programs that keep pace with current needs, including a consultation desk that enables employees to consult about compliance via chat. By sharing these initiatives with Group companies, the company strives to develop a structure that deeply roots compliance activities throughout the Group.

» Intranet Sites for Compliance Information

Kyocera Corporation uses digital tools and an intranet system to provide smooth access to easy-to-read and understand in-house and compliance-related information. The company continuously reviews and revises the content to reflect changes in laws and the social climate to foster and increase employee awareness of compliance.

Directors, Audit & Supervisory Board Members and Executive Officers (as of June 25, 2024)

■: attendance at meetings of the Board of Directors (Fiscal 2024) ◎: attendance at meetings of the Nomination and Remuneration Committee (Fiscal 2024) ○: attendance at meetings of the Audit & Supervisory Board (Fiscal 2024)

Directors



Chairman of the Board
and Representative Director

Goro Yamaguchi

Member of the Nomination and
Remuneration Committee

■ Board of Directors:
13/13

◎ Nomination and
Remuneration Com-
mittee: 3/3

Mar. 1978 Joined the Company
Jun. 2003 Executive Officer of the Company
Jun. 2005 Senior Executive Officer of the Company
Apr. 2009 Managing Executive Officer of the Company
Jun. 2009 Director and Managing Executive Officer of the Company
Apr. 2013 President and Representative Director, President and Executive Officer of the Company
Apr. 2017 Chairman of the Board and Representative Director of the Company [Present]

Reason for appointment

Mr. Goro Yamaguchi has been in charge of leading the management of the Group since he took office as a President and Representative Director in 2013, and has properly operated the Board of Directors as a Chairperson of the Board since serving as a Chairman of the Board and Representative Director from April 2017. He also proactively makes recommendations for the spread of the corporate philosophy throughout the Group.



President and
Representative Director

Hideo Tanimoto

■ Board of Directors:
13/13

Mar. 1982 Joined the Company
Apr. 2015 Executive Officer of the Company
Apr. 2016 Managing Executive Officer of the Company
Jun. 2016 Director and Managing Executive Officer of the Company
Apr. 2017 President and Representative Director, President and Executive Officer of the Company [Present]

Reason for appointment

Mr. Hideo Tanimoto has been in charge of leading the management of the Group as a President and Representative Director from April 2017. He leads the sustainable growth of the Group by working to create new businesses and improve productivity, and strongly promoting organizational reform, etc.



Director

Hiroshi Fure

■ Board of Directors:
13/13

Mar. 1984 Joined the Company
Apr. 2009 Senior General Manager of Corporate Automotive Components Group of the Company
Apr. 2011 Executive Officer of the Company
Apr. 2013 Managing Executive Officer of the Company
Jun. 2013 Director and Managing Executive Officer of the Company
Apr. 2015 Director and Senior Managing Executive Officer of the Company
Sep. 2016 Senior General Manager of Corporate Organic Materials Semiconductor Components Group of the Company
Apr. 2021 Director and Managing Executive Officer of the Company [Present]
Executive General Manager of Core Components Business of the Company [Present]
Apr. 2024 Senior General Manager of Corporate Components Sector QMS Promotion Group of the Company [Present]

Reason for appointment

Mr. Hiroshi Fure held positions as a Senior General Manager of Corporate Automotive Components Group from 2009, followed by a Senior General Manager of Corporate Organic Materials Semiconductor Components Group. Since April 2021, he has been leading the Core Component Business as an Executive General Manager, contributing to the growth and development of those businesses.



Director

Norihiko Ina

■ Board of Directors:
13/13

Apr. 1987 Joined Mita Industrial Company Ltd. (currently Kyocera Document Solutions Inc.)
Aug. 2011 President of Kyocera Mita America, Inc. (currently Kyocera Document Solutions America, Inc.)
Apr. 2012 Executive Officer of Kyocera Document Solutions Inc.
Apr. 2014 Managing Executive Officer of Kyocera Document Solutions Inc.
Jun. 2014 Director and Managing Executive Officer of Kyocera Document Solutions Inc.
Apr. 2016 Director of Kyocera Document Solutions Inc.
Senior General Manager of Corporate Sales Division of Kyocera Document Solutions Inc.
Apr. 2017 Managing Executive Officer of the Company
President and Representative Director of Kyocera Document Solutions Inc.
Jun. 2017 Director and Managing Executive Officer of the Company [Present]
Apr. 2021 Executive General Manager of Solutions Business of the Company [Present]

Reason for appointment

Mr. Norihiko Ina worked as a President and Representative Director of Kyocera Document Solutions Inc. from 2017. Since April 2021, he has been leading the Solutions Business as an Executive General Manager, contributing to the growth and development of those businesses.



Director

Koichi Kano

■ Board of Directors:
13/13

Mar. 1985 Joined the Company
Jun. 2005 General Manager of Circuit Components Division of the Company
Apr. 2012 Senior General Manager of Corporate Development Group of the Company
Apr. 2013 Executive Officer of the Company
Apr. 2015 Senior Executive Officer of the Company
Apr. 2016 Managing Executive Officer of the Company
Jun. 2016 Director and Managing Executive Officer of the Company [Present]
Apr. 2021 Deputy Executive General Manager of Electronic Components Business of the Company
Apr. 2023 Executive General Manager of Electronic Components Business of the Company [Present]

Reason for appointment

From 2012, Mr. Koichi Kano provided proper guidance on all aspects of management, from business operations to financial management, to subsidiaries in Japan and overseas as a Senior General Manager of Corporate Development Group. He also served as Deputy Executive General Manager of Electronic Components Business from April 2021, and has been leading Electronic Components Business as an Executive General Manager since April 2023, contributing to the growth and development of those businesses.



Director

Shoichi Aoki

■ Board of Directors:
13/13

Mar. 1983 Joined the Company
Jun. 2005 Executive Officer of the Company
Senior General Manager of Corporate Accounting Group of the Company
May 2008 Senior General Manager of Corporate Financial and Accounting Group of the Company
Apr. 2009 Managing Executive Officer of the Company
Jun. 2009 Director and Managing Executive Officer of the Company [Present]
Oct. 2010 Senior General Manager of Corporate Financial and Business Systems Administration Group of the Company
Apr. 2013 Senior General Manager of Corporate Financial and Accounting Group of the Company
Apr. 2018 Senior General Manager of Corporate Management Control Group of the Company
Apr. 2021 Executive General Manager of Headquarters of the Company
Apr. 2024 Senior General Manager of Corporate Development Group of the Company [Present]

Reason for appointment

Mr. Shoichi Aoki has overseen the accounting and financing strategy of the Group, serving as a Senior General Manager of the Corporate Financial and Accounting Group for many years. From April 2021, he has been contributing to the growth and development of the Group from a position overseeing all administrative divisions as an Executive General Manager of Headquarters.



Director
Akiko Koyano

Dec. 2008 Admitted to the Bar, Registered in the Kyoto Bar Association [Present]
Joined Koyano & Aoki Law Office
Jul. 2009 Transferred to Koyano LPC
Feb. 2018 Partner Attorney-at-law of Koyano LPC [Present]
Jun. 2019 Outside Director of the Company [Present]

Outside Director

Independent Director

Member of the Nomination and
Remuneration Committee

■ Board of Directors:
13/13

◎ Nomination and
Remuneration Com-
mittee: 3/3

Reason for appointment

Ms. Akiko Koyano has abundant experience and exceptional insight in various areas as an attorney, such as corporate law, and has wide-ranging knowledge into social needs, such as gender equality. After taking office as an Outside Director, she has proactively made statements notably from legal and diversity perspectives.



Director
Junko Sunaga

Apr. 1983 Joined NEC Corporation
Jan. 1993 Seconded to NEC Electronics, Inc. (USA)
Apr. 1997 Joined Qualcomm International Japan (currently Qualcomm Japan, LLC)
Nov. 2008 Senior Director of Qualcomm Japan, Inc. (currently Qualcomm Japan, LLC)
Jun. 2016 Vice President of Qualcomm Japan, Inc.
Apr. 2018 President of Qualcomm Japan, Inc.
Jun. 2023 Advisory Chairwoman of Qualcomm Japan, LLC [Present]

Outside Director

Independent Director

Member of the Nomination and
Remuneration Committee

Reason for appointment

Ms. Junko Sunaga has abundant experience and exceptional insight in corporate management as a top executive of a Japanese subsidiary of a global company that designs and develops mobile communications and semiconductors, in addition to her project experience related to communication semiconductors at an electronic equipment manufacturer.



Director
Eiji Kakiuchi

Apr. 1981 Joined Dainippon Screen Mfg. Co., Ltd. (currently SCREEN Holdings Co., Ltd.)
Apr. 2005 Corporate Officer of Dainippon Screen Mfg. Co., Ltd. (currently SCREEN Holdings Co., Ltd.)
Apr. 2006 Senior Corporate Officer of Dainippon Screen Mfg. Co., Ltd. (currently SCREEN Holdings Co., Ltd.)
Apr. 2007 Corporate Executive Officer of Dainippon Screen Mfg. Co., Ltd. (currently SCREEN Holdings Co., Ltd.)
Jun. 2011 Director of Dainippon Screen Mfg. Co., Ltd. (currently SCREEN Holdings Co., Ltd.)
Apr. 2014 Representative Director, President of Dainippon Screen Mfg. Co., Ltd. (currently SCREEN Holdings Co., Ltd.)
Jun. 2019 Representative Director, Chairman, Member of the Board of SCREEN Holdings Co., Ltd.
Jun. 2021 Outside Director of the Company [Present]
Jun. 2023 Chairman, Member of the Board of SCREEN Holdings Co., Ltd. [Present]

Outside Director

Independent Director

Member of the Nomination and
Remuneration Committee

■ Board of Directors:
13/13

◎ Nomination and
Remuneration Com-
mittee: 3/3

Reason for appointment

Mr. Eiji Kakiuchi has abundant experience and exceptional insight in corporate management as he serves as top management of a manufacturer that produces and sells electronics products, such as semiconductor manufacturing equipment. After taking office as an Outside Director, he has proactively made statements notably from business strategy and management strategy perspectives.



Director
**Shigenobu
Maekawa**

Apr. 1976 Joined Nippon Shinyaku Co., Ltd.
Apr. 2004 Corporate Officer of Nippon Shinyaku Co., Ltd.
Jun. 2005 Director of Nippon Shinyaku Co., Ltd.
Jun. 2006 Managing Director of Nippon Shinyaku Co., Ltd.
Jun. 2007 President of Nippon Shinyaku Co., Ltd.
Jun. 2021 Representative Director, Chairman of Nippon Shinyaku Co., Ltd. [Present]
Jun. 2023 Outside Director of the Company [Present]

Outside Director

Independent Director

Member of the Nomination and
Remuneration Committee

■ Board of Directors:
10/10

◎ Nomination and
Remuneration Com-
mittee: 2/2

Reason for appointment

Mr. Shigenobu Maekawa has abundant experience and exceptional insight in corporate management as he serves as top management of a pharmaceutical manufacturer that produces and sells medical products and functional foods.

Audit & Supervisory Board Members



Full-time Audit &
Supervisory Board Member

Shigeru Koyama

■ Board of Directors:
13/13

○ Audit & Supervisory
Board: 9/9

Mar. 1980 Joined the Company
Apr. 2011 President and Director of Kyocera Fineceramics GmbH (currently KYOCERA Europe GmbH)
Apr. 2013 Executive Officer of the Company
Apr. 2015 Senior Executive Officer of the Company
Jun. 2020 Full-time Audit & Supervisory Board Member of the Company [Present]

Reason for appointment

After working in overseas sales in the semiconductor components business, Mr. Shigeru Koyama has served as President and Director of an overseas subsidiary since April 2011, and possesses extensive experience and a high level of insight into overseas business operations.



Full-time Audit &
Supervisory Board Member

Yushi Nishimura

■ Board of Directors:
13/13

○ Audit & Supervisory
Board: 9/9

Mar. 1985 Joined the Company
Feb. 2013 General Manager of Business Systems Administration Division of Kyocera Vietnam Co., Ltd.
Jul. 2016 General Manager of Corporate Global Audit Division of the Company
Jun. 2022 Full-time Audit & Supervisory Board Member of the Company [Present]

Reason for appointment

Mr. Yushi Nishimura possesses considerable knowledge, and extensive experience and insight into financial and accounting matters from extensive experience serving in the Accounting Division and the Internal Audit Division.



Audit & Supervisory Board
Member

Minoru Kida

Outside Audit & Supervisory
Board Member

Independent Audit &
Supervisory Board Member

Oct. 1993 Joined Showa Ota & Co.
(currently Ernst & Young ShinNihon LLC)
Apr. 1997 Registered as a Certified Public Accountant
Jan. 2004 Head of Kida CPA Office
(currently Kida CPA & CPTA Office) [Present]
Jun. 2004 Registered as a Certified Public Tax Accountant
Dec. 2006 Representative Partner of Gravitas Audit Corporation [Present]
Jun. 2021 Substitute Audit & Supervisory Board Member of the Company
Jun. 2024 Outside Audit & Supervisory Board Member of the Company [Present]

Reason for appointment

Mr. Minoru Kida has substantial knowledge of finance and accounting, and abundant experience and exceptional insight as a certified public accountant and certified public tax accountant.



Audit & Supervisory Board
Member

Michie Kohara

Outside Audit & Supervisory
Board Member

Independent Audit &
Supervisory Board Member

Oct. 2002 Admitted to the Bar, Registered in the Kyoto Bar Association [Present]
Joined Oike Law Office
Oct. 2006 Partner of Oike Law Office [Present]
Aug. 2009 Visiting Researcher at New York University School of Law
May. 2011 Completed Master's Program (LL.M) at Indiana University Maurer School of Law - Bloomington
Jun. 2024 Outside Audit & Supervisory Board Member of the Company [Present]

Reason for appointment

Ms. Michie Kohara has abundant experience and exceptional insight as an attorney, and is wellversed in a wide range of legal fields, including corporate law.

Executive Officers

President and Executive Officer

Hideo Tanimoto

Managing Executive Officer

Hiroshi Fure

Executive General Manager of Core Components Business, Senior General Manager of Corporate Components Sector QMS Promotion Group

Norihiko Ina

Executive General Manager of Solutions Business

Koichi Kano

Executive General Manager of Electronic Components Business

Shoichi Aoki

Executive General Manager of Headquarters, Senior General Manager of Corporate Development Group

Takashi Sato

Senior General Manager of Corporate General Affairs Human Resources Group

Managing Executive Officer

Masaki Iida

Senior General Manager of Corporate Purchasing Group

Hironori Ando

President and Representative Director of KYOCERA Document Solutions Inc.

Shiro Sakushima

Deputy Executive General Manager of Electronic Components Business, Senior General Manager of Corporate Electronic Components Group

Senior Executive Officer

Yoshihito Kurose

President and Representative Director of KYOCERA Communication Systems Co., Ltd.

Executive Officer

Tadashi Shinagawa

Deputy Senior General Manager of Corporate Fine Ceramics Group

Hideji Yanagisawa

Senior General Manager of Corporate Industrial Tool Group

Executive Officer

Eri Yoshikawa

General Manager of Corporate Communications Division and Diversity Promotion Division, Corporate General Affairs Human Resources Group

Kenichiro Nakamura

Senior General Manager of Corporate Ceramic Materials Semiconductor Components Group

Kayo Hashiura

General Manager of Inamori Library Division and Philosophy Division, Corporate General Affairs Human Resources Group

Michinori Yamada

Deputy Senior General Manager of Corporate Ceramic Materials Semiconductor Components Group

Shouichi Nakagawa

Senior General Manager of Corporate R&D Group

Koichi Nagasaki

Senior General Manager of Corporate Automotive Components Group

Executive Officer

Masafumi Ikeuchi

Senior General Manager of Corporate Display Group

Katsuhiko Suzuki

Senior General Manager of Corporate Communication Equipment Group

Hiroaki Chida

Senior General Manager of Corporate Management Control Group

Kazunori Shibata

Senior General Manager of Corporate Legal and Intellectual Property Group

Nick Huntalas

President and Director of KYOCERA International, Inc.

Jeff Schmersal

Deputy Executive General Manager of Electronic Components Business, President and Director of KYOCERA AVX Components Corporation

Executive Officer

Tetsuya Kawakami

Senior General Manager of Corporate Printing Device Group

Naoto Kajiki

Senior General Manager of Corporate Fine Ceramics Group

Takashi Nohara

Senior General Manager of Corporate Management Promotion Group

Tomoko Miyata

General Manager of Finance Division, Corporate Management Control Group

Messages from Outside Directors and Outside Audit & Supervisory Board Members



Anticipating that gatherings of directors with a wide range of viewpoints and experience will further enhance the quality of discussions.

Outside Director **Akiko Koyano**

Five years ago, I was appointed the first female director of Kyocera. During that time, the effectiveness of the Board of Directors has increased with each passing year. The increase in directors with management experience at other companies in particular has invigorated strategic discussions on specific business topics. In 2024, one new female director and one new female auditor were appointed. Gathering individuals with diverse viewpoints and experience adds significantly to the effectiveness of management and further increases the quality of discussions affecting the direction of the Group.

The promotion of diversity aimed at enabling all employees to play active roles throughout the Group has increased the workstyle options for remote work and flextime during the past five years; this led to outstanding results with a marked uptick in the number of male employees taking childcare leave and a number of awards recognizing Kyocera's LGBTQ initiatives. Moreover, the number of female employees in management positions has increased, and a female executive officer was added this year. Gender equality is a priority issue, and Kyocera is still on the way achieving that goal. The company is making meaningful approaches with participation in the Kyoto University Women's Executive Leadership Program and implementation of an external mentor system in cooperation with experienced individuals outside the company.

As AI technology becomes a ubiquitous part of our lives, it is important to consider our priorities. Kyocera's corporate motto, management rationale, and management philosophy will continue to form the foundation for the company's universal principles. I would also like to keep foremost in mind the concepts of harmonious coexistence and doing what is right as a human being as we strive for sustainable growth.



Awareness of stakeholders' interests, and deepening discussions about competitive business advantages and growth strategies

Outside Director **Eiji Kakiuchi**

In FY2024, the Kyocera Corporation revised its outlook for business performance downward. Meanwhile, sales revenue exceeded 2 trillion yen for two consecutive years. The strength of Kyocera's diverse business portfolio played an important role in this success.

Management strategies specified by the Medium-Term Management Plan include the optimal allocation of management resources to achieve high growth through active investment in business segments with a competitive advantage, as well as the improvement of profitability through the use of digital technology founded on a program of sound business growth. Kyocera set the goal of implementing capital strategies and the promotion of sustainable management as the measures for strengthening the management infrastructure in support of these strategies. The Board of Directors must discuss business growth through these two measures and supervise its progress.

Even for a long-established business and regardless of the scale, it is important for the Board of Directors to determine whether business continues to be sustainable from the viewpoint of forward-looking management based on growth strategies, continuity of profitability, and international competitiveness.

Since I was first appointed to the position of director, my goal has been to focus our discussions at meetings of the Board of Directors on our competitive advantages and growth strategies. Since Kyocera has a wide range of businesses, I have discussed governance and risk management with a sense of vigilance and a focus on the approaches taken by company executives while I continue to prioritize stakeholder interests.



Outstanding human resources with a strong sense of taking on challenges are necessary to promote innovation, discover new businesses, and strengthen profitability.

Outside Director **Shigenobu Maekawa**

I was appointed an outside director at the general meeting of shareholders last year. Because I am from a different industry, it took effort to bring myself up to speed. I asked a myriad of questions about Kyocera's different business segments and management structures to better prepare myself to contribute knowledgeable opinions about business strategies, governance, compliance, and risk management.

What I have seen during the past year is that Kyocera has a high-level management structure based on the Kyocera Philosophy.

It is impossible to expect any company's management to be perfect at all times and under all circumstances. The perspective of top management is understandably focused from the inside on corporate business—this is why outside directors play an important role. By bringing a fresh perspective from the outside based on extensive experience, outside directors are in a very good position to provide a balanced view to corporate management. In applying the Kyocera Philosophy developed by founder Kazuo Inamori, our goal is to advance management reforms that keep pace with the ever-changing business and social environments. As a part of this, the promotion of discovery of new businesses and the strengthening of profitability are especially important management issues. To effectively respond to these issues, it is essential to have excellent human resources who welcome and thrive on challenges,

In prioritizing sound relationships with a wide range of stakeholders, it is especially important to ensure open dialogue with shareholders. Stock splits and stock compensation programs provide opportunities for dialogue and the sharing of value with shareholders. I will continue doing my utmost as an outside director to support the sustainable growth of the Kyocera Group.



I became an outside director at the 70th Ordinary General Meeting of Shareholders. I am humbled that my experience in communication semiconductor projects at an electric device manufacturer, the top Japanese affiliate of a global corporation in the mobile communication industry, was recognized by the Kyocera Group, and I consider it a tremendous honor to have this opportunity to contribute to the growth and expansion of the Group's business. Kyocera develops new products by responding with flexibility to global-scale changes and the important issues facing society as it continues to strengthen businesses and discover new areas while improving technologies based on tradition and the DNA developed on the foundation of the Kyocera Philosophy, a set of universal corporate guidelines that has provided a strong platform for sustainable growth over the years. Kyocera set the goal of achieving 3 trillion yen in sales and a 20% profit ratio by the year ending March 31, 2029. To achieve these goals, we established the Medium-Term Management Plan and set the goal of achieving 2.5 trillion yen in sales and a 14% profit ratio by the year ending March 31, 2026. I am committed as an outside director to monitoring priority measures established for further growth. Meanwhile, the technological development of AI and other digital areas, their applications, players, partnerships, and frameworks have been advancing on a daily basis. I will continue monitoring these new technologies and frameworks as well as changes in global trends, strive to improve as a director, provide advice from an objective and independent standpoint, and contribute to the business growth of the Kyocera Group.



I joined Kyocera as an outside auditor at the 70th Ordinary General Meeting of Shareholders. I feel privileged to be associated with the Kyocera Group, whose founder, the legendary business leader Kazuo Inamori, combined vision and leadership to create an international corporation with a culture that produced strong bonds and motivated the passion of the executives and employees throughout the Group. Human resources, global liquidation of funds, and information processing technology, particularly AI, have all had a significant influence on growth and the changes in society. Against this background, Kyocera is expected to provide solutions to a wide range of issues by leveraging business expertise capable of impacting society in a positive way. In order to effectively meet such expectations, I consider it essential to establish forward-looking management strategies, recognize and respond to business risks, and promote smooth business performance. I am committed to helping achieve these goals by contributing my experience through the perspective of an outside auditor. In my work as a public accountant and certified tax accountant, I have seen international standards for financial reporting become more complex over time, including the scheduled implementation of a new international framework for sustainability disclosure standards. My foremost goal is to provide support for the establishment of an internal control system that reflects concrete and meaningful information about the state of business in the financial reports. Kyocera will prioritize the fulfillment of its social responsibilities as it strives to ensure its competitive advantage and further improve corporate value as it promotes harmony among the wide range of stakeholders in society, including the environment.



I accepted my appointment as an outside auditor at the 70th Ordinary General Meeting of Shareholders. I am honored to join the board at Kyocera. Founded by Kazuo Inamori, Kyocera not only represents Japan but is also an international corporation that plays a role on the global business stage. Executives and employees work together with the firm foundation of the Kyocera Philosophy and 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." As a lawyer with the Kyoto Bar Association, I had the opportunity to gain extensive experience providing consultations to a wide range of corporations. To do my part in helping Kyocera provide meaningful returns to the society it serves as a leading Japanese company prioritizing sustainable value to society and humankind as well as employee and shareholder satisfaction, I am committed to making full use of the knowledge and experience I bring as a lawyer to conduct effective audits of corporate activities with a focus on further improving governance and ensuring continued sound corporate growth. In order to be the most effective outside auditor possible, I will engage in active information sharing with employees, and both inside and outside executives to gain the most comprehensive understanding of Kyocera's business activities so that I will be better able to promote constructive discussions at the Board of Directors and Auditors meetings.

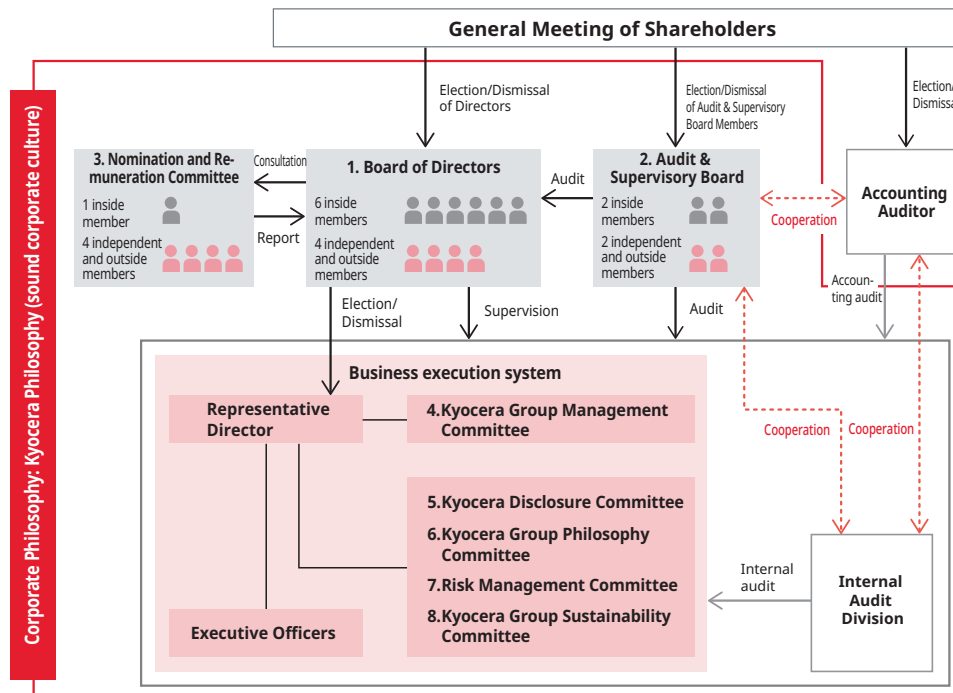
Basic Views on Corporate Governance

The Kyocera Group has made “Respect the Divine and Love People” its corporate motto and “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.” as its management rationale.

The Kyocera Group always strives to maintain equity and fairness and faces all situations with courage and conscience and will realize its management rationale by achieving sustainable growth and raising medium- to long-term corporate value. In doing so, the Kyocera Group shall build systems to undertake fair and efficient corporate management while maintaining the soundness and transparency of management upon taking into consideration the standpoints of all stakeholders.

Additionally, the Kyocera Group shall permeate the “Kyocera Philosophy,” a corporate philosophy that is the basis of the management policy of the Kyocera Group, in all Executives and employees in the Kyocera Group, and foster a sound corporate culture. The Kyocera Group shall establish proper corporate governance by building the above-mentioned systems and implementing the “Kyocera Philosophy.” Furthermore, the Kyocera Group will constantly seek the ideal system for corporate governance and will always evolve and develop its existing corporate governance system.

Corporate governance system



1. Board of Directors

The Board of Directors of Kyocera is an organization to decide on the important matters and supervise the execution of businesses of Kyocera Group as a whole. It consists of ten Directors including four Outside Directors. The Directors are nominated at the General Shareholders Meeting based on their demonstrated understanding of Kyocera Group and their outstanding personal qualities, capabilities, and insight. The Board of Directors met thirteen times during the year ended March 31, 2024.

2. Audit & Supervisory Board

The Audit & Supervisory Board consists of four members. Audit & Supervisory Board Members include two full-time Audit & Supervisory Board Members, originally employees of Kyocera, as well as two Outside Audit & Supervisory Board Members, who have plenty of knowledge and experience as CPA or an attorney-at-law. The Audit & Supervisory Board Members are conducting audit of Kyocera as a whole based on the accurate information about Kyocera gathered from inside and utilizing variety of viewpoints as outsiders of Kyocera. The Audit and Supervisory Board met nine times in the year ended March 31, 2024.

3. Nomination and Remuneration Committee

As consulting organization of the Board of Directors, Kyocera has established the Nomination and Remuneration Committee, the majority of which consists of Outside Directors. The Board of Directors examines nominations regarding Directors and Managing Executive Officers as well as the remuneration of Directors after consulting in advance with the Committee to ensure that the decision is made in a fair and appropriate manner. The Committee met three times during the year ended March 31, 2024.

4. Kyocera Group Management Committee

Kyocera has established the Kyocera Group Management Committee consisting of Representative Director and Chairman, Representative Director and President and Managing Executive Officers who live in Japan and Kyocera holds meetings every month regularly. The Committee examines not only the agendas of the meetings of the Board of Directors, but also other important matters relating to the overall execution of Kyocera Group business to ensure sound management. The Committee met twenty-four times during the year ended March 31, 2024.

5. Kyocera Disclosure Committee

Kyocera has established an organ known as the Kyocera Disclosure Committee for disclosure of corporate information. The 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 Representative Director and President, who educate Group companies concerning rules relating to disclosure and promotes appropriate disclosure of information for the entire Group. The Committee met four times during the year ended March 31, 2024.

6. Kyocera Group Philosophy Committee

Kyocera has established the Kyocera Group Philosophy Committee to educate and permeate “Kyocera Philosophy,” which is our corporate philosophy setting forth the importance of conducting business of management in a fair and honest way, basing its fundamental judgments on a precept that “What do we consider to be the right choice as a human being?” The Kyocera Group Philosophy Committee sets the “Kyocera Philosophy” education policy for each entity in the Kyocera Group, and discusses and decides upon measures to promote the understanding and practice of “Kyocera Philosophy.” The Committee met twice during the year ended March 31, 2024.

7. Risk Management Committee

Kyocera has established the Risk Management Committee to handle Kyocera Group’s risk management. This Committee determines risk management policies, and identifies corporate risks to be addressed by the Group. The Committee met twice during the year ended March 31, 2024.

8. Kyocera Group Sustainability Committee

Kyocera has established the Kyocera Group Sustainability Committee to promote the sustainable growth of both the Kyocera Group and society. This Committee discusses business strategies designed to provide solutions to societal needs, policies and targets regarding social requirements aiming to achieve the management rationale and SDGs. The Committee met twice during the year ended March 31, 2024.

Composition of the Board of Directors

Kyocera considers that the Board of Directors must be equipped with the following skills from 1 to 5 to be able to suggest general directions of the Kyocera Group's growth strategies, discuss the appropriateness, risks, and other factors of such directions from objective and diverse perspectives, and appropriately oversee the status of business operations.

1. Global management
2. Sales / Marketing
3. Technology
4. Financial affairs / Accounting
5. Legal affairs / Risk management

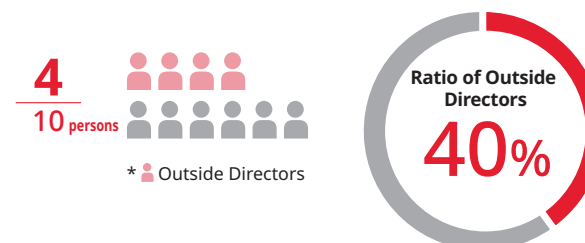
The Key skills possessed by the current Directors are presented in the table below.

Kyocera's nomination policy for the appointment of Directors is to balance the skills required of the Board of Directors and ensure diversity, including race, ethnicity, gender, nationality, work experience, and age groups on the assumption of electing individuals having an adequate understanding of the Kyocera Group, who in terms of managing the Kyocera Group excel in their "personal qualities," "capability" and "insight." Based on such policy, the Board of Directors is well balanced in skills and it is constituted in a manner to achieve both diversity and appropriate size.

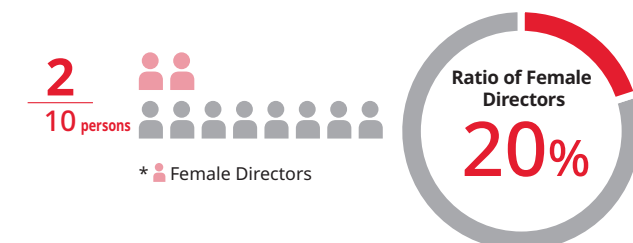
For the purpose of strengthening the supervisory function of the Board of Directors and further promote the diversity of its composition, the 70th ordinary general meeting of shareholders resolved to add one Outside Director; one female Outside Director with corporate management experience was elected to the position.

		Global Management	Sales/Marketing	Technology	Financial Affairs/Accounting	Legal Affairs/Risk Management
Chairman of the Board and Representative Director	Goro Yamaguchi	●	●		●	●
President and Representative Director	Hideo Tanimoto	●		●	●	●
Director	Hiroshi Fure	●		●		
Director	Norihiko Ina	●	●			
Director	Koichi Kano	●	●		●	
Director	Shoichi Aoki	●			●	●
Outside Director	Akiko Koyano					●
Outside Director	Eiji Kakiuchi	●	●			
Outside Director	Shigenobu Maekawa	●			●	●
Outside Director	Junko Sunaga	●	●	●		

Ratio of Outside Directors



Ratio of Female Directors



Efforts to Improve the Effectiveness of the Board of Directors

Establishment of the Nomination and Remuneration Committee

Kyocera has established a Nomination and Remuneration Committee to ensure the objectivity and transparency of the procedures to determine nomination and remuneration. The Nomination and Remuneration Committee adequately deliberates on the nomination of the senior management and Directors (including succession plans), their remuneration, and other important matters, taking into account perspectives such as gender and other types of diversity and personal skills. The policy, mandates, roles, and other elements of the independence of the composition of Kyocera's Nomination and Remuneration Committee are as follows:

< Policy of Independence of the Composition >

Independent Outside Directors comprising a majority of the Committee members ensure its independence.

< Mandates and Roles >

In response to inquiries of the Board of Directors, the Committee deliberates on 1, matters concerning the appointment and dismissal of Directors, 2, matters concerning remuneration of Directors, and 3, matters concerning the appointment and dismissal of executive officers and reports the results to the Board of Directors. Beyond such inquiries, the Committee also provides the Board of Directors with advice as appropriate.

Training for Directors and Audit & Supervisory Board Members

The Directors and Audit & Supervisory Board Members are given, at the time of their assumption of their office, explanations concerning the details of the business of Kyocera and their respective roles and responsibilities as considered necessary in order for them to perform their roles and fulfill their responsibilities. Further, even after assuming office, if a Director or Audit & Supervisory Board Member requests, training tailored to meet the individual requests are given and opportunities for advancement of necessary knowledge are offered or introduced, or financial support for the necessary expenses for such purposes are provided, according to their individual situations.

Involvement in Succession Planning

The Board of Directors is actively involved in the establishment and implementation of a succession plan for Executives based on Kyocera's objectives (such as the management rationale) and specific management strategies. Appropriate monitoring is also conducted to ensure that sufficient time and resources are dedicated to the systematic development of candidates for succession. In addition, we have established an Executive Officer system to ensure the effective and efficient operation of the business execution system. One of the objectives of this Executive Officer system is to plan the development of the next generation of executives by actively identifying managers who display outstanding humanity and ability to take charge of the future management of Kyocera. In line with this purpose, the Board of Directors checks the development of future Executives every year and determines the appointment of Executive officers based on these findings.

Evaluation of the Effectiveness of the Board of Directors

Kyocera conducted an effectiveness evaluation survey of all directors and all Audit and Supervisory Board members and then held discussions at off-site meetings.

< Outline of Effectiveness Evaluation Implemented in FY2024 >

1.Evaluation Method

Kyocera conducted a questionnaire survey of all Directors and all Audit and Supervisory Board members and then held discussions at off-site meetings.

2.Questionnaire Items

Kyocera conducted quantitative and qualitative evaluations based on a four-point scale and free descriptions regarding (1) through (4) below.

- (1) Administration and deliberation of the Board of Directors (Provision of information, agenda items, frequency of meetings, time for deliberations, free and open discussions and exchanges of views, etc.)
- (2) Composition of the Board of Directors (Size, member balance, diversity, etc.)
- (3) Roles and Responsibilities of the Board of Directors (Discussion of the broad direction of corporate strategy, management of subsidiaries, oversight of internal control and a risk management system, etc.)
- (4) Optional Nomination and Remuneration Committee (Agenda items, frequency of meetings and time for deliberations)

3.Summary of Evaluation Results and Future Initiatives

The Board of Directors has been working to improve the issues identified in the previous evaluations by further enhancing reports on the operational status of the internal control system and providing timely and appropriate information to Outside Directors and Outside Audit & Supervisory Board Members.

As a result of the evaluations of this time, we confirmed that the effectiveness of the Board of Directors has been generally ensured, and that the following points have been evaluated in particular:

- Explanatory sessions for each business segment along with plant visits held separately from meetings of the Board of Directors helped outside directors and auditors to better understand each business segment and led to active discussions at meetings of the Board of Directors.

The Board of Directors will promote the following initiatives to further improve its effectiveness:

- Enhance group governance by the Board of Directors through enhanced reports on the governance and business of subsidiaries.
- In addition to reporting the current status of each segment at the Board of Directors meetings, utilize off-site meetings to enhance opportunities to explain R&D strategies, etc.

Current Initiatives for the Enhancement of the Functions of the Audit & Supervisory Board Members

Current initiatives for the enhancement of the functions of the Audit & Supervisory Board Members are as follows:

1. Allocating certain employees who are selected from Corporate Global Audit Division upon the request of the Audit & Supervisory Board Members, through prior discussion with the Audit & Supervisory Board Members, to assist in their tasks and the Audit & Supervisory Board.
2. Holding regular meetings with Representative Directors to exchange opinions relating to the management of Kyocera as a whole;
3. Holding regularly the “Kyocera Group Audit & Supervisory Board Members Meeting” where all audit & supervisory board members of companies within Kyocera Group gather to report and discuss the condition of auditing the legality of the business execution and the status of the internal control of the directors of the companies within Kyocera Group;
4. Establishing the system called “Whistleblower System to Kyocera Audit & Supervisory Board” so that the related parties with Kyocera can directly submit complaints to the Audit & Supervisory Board;
5. Holding regular meetings with accounting auditors to discuss about the audit plan and substance of quarterly audit and result of the audit, and exchanging information and opinions as necessary from time to time;
6. Holding meetings in a timely fashion with internal audit division of Kyocera in order to evaluate and monitor whether the business of the Kyocera Group is duly and efficiently executed in accordance with the laws and regulations and internal rules of Kyocera; and
7. Nominating two Outside Audit & Supervisory Board Members who are independent and not to have any conflict of interest with the shareholders in general of Kyocera.

Remuneration of Directors and Audit & Supervisory Board Members

Directors

“Decision Policy Regarding the Details of Individual Remuneration for Directors”

Basic policy

- The remuneration system for Directors is designed to be a mechanism that effectively encourages Directors to thoroughly demonstrate their abilities and fulfill their roles and responsibilities toward the healthy and sustainable growth of the Kyocera Group.
- The remuneration level of Directors shall be set at an appropriate level by referring to objective data from external specialist organizations while giving consideration to securing and maintaining excellent human resources necessary for realizing the management rationale.
- Regarding the remuneration system and remuneration level of Directors, high objectivity and transparency in the process for determining remuneration for Directors shall be assured by making decisions according to a resolution by the Board of Directors based on the deliberations with and reports from the Nomination and Remuneration Committee, which consists of a majority of Outside Directors.

	Applicable to:	Items determined at General Meeting of Shareholders	Details
Basic Remuneration	Directors	< The 55th Ordinary General Meeting of Shareholders held on June 25, 2009 > No more than 400 million yen per year (not including salaries for services as employees or Executive Officers for those Directors who serve as such).	● Monetary remuneration to be paid according to the responsibilities of the Directors. ● Individual payment levels of the payment amount will be determined according to each respective role upon taking into consideration the payment levels of other companies in the same industry. ● The annual amount shall be paid monthly in 12 equal portions.
Bonuses to Directors	Directors (excluding Outside Directors)	< The 55th Ordinary General Meeting of Shareholders held on June 25, 2009 > Not exceed 0.2% of the consolidated net income ¹ of Kyocera for the relevant fiscal year, provided that such amount of bonuses shall in no case exceed 300 million yen annually.	● Monetary remuneration to be paid according to the degree of contribution of each Director to business results in the relevant fiscal year. ● The performance indicator is “profit attributable to owners of the parent.” This is calculated by multiplying the numerical value determined based on this performance indicator by a prescribed coefficient according to the position of the Director and a coefficient for individual assessment according to the degree of contribution to performance. ● Provided once per year following the end of the business year.
Performance-Linked Restricted Stock Compensation	Directors (excluding Outside Directors)	< The 69th Ordinary General Meeting of Shareholders held on June 27, 2023 > Total compensation amounts shall be no more than an amount equivalent to 0.2% of profit attributable to owners of the parent for the Evaluation Period. The upper limit shall be the amount after deducting the total amount of bonuses to Directors actually paid by cash, and the upper limit on the number of shares shall be no more than 70,000 shares per year. ²	● This compensation system grants Directors shares of common stock of Kyocera Corporation (restricted stock) according to the degree of contribution of each Director to business results in the relevant fiscal year. The system is intended to offer incentives for Directors to improve short-term performance as well as continuously increasing medium to long-term corporate and shareholder value of Kyocera Corporation. ● Performance indicator and calculation method are the same as for bonuses to Directors. ● If an amount calculated by the same method as bonuses to Directors exceeds an amount designated by the Board of Directors after consulting the Nomination and Remuneration Committee, shares of common stock of Kyocera Corporation (restricted stock) corresponding to the exceeding portion shall be granted as performance-linked restricted stock compensation. ● Granted once per year following the end of the fiscal year.
Restricted Stock Compensation	Directors (excluding Outside Directors)	< The 65th Ordinary General Meeting of Shareholders held on June 25, 2019 > No more than 100 million yen per year as well as no more than 0.1% of the profit attributable to owners of the parent as the reasonable amounts and that the number of shares shall be no more than 25,000 shares per year. ³	● Remuneration to be provided Kyocera's common stock (restricted stock) for the purpose of further sharing value with shareholders while granting incentives to continuously improve the medium to long-term corporate and shareholder value. ● The amount to be paid to each Director shall be determined by position. ● Granted once a year in each business year

Note 1: Notation changed to “Profit attributable to owners of the parent” in line with the adoption of the International Financial Reporting Standards (IFRS).

Note 2: As a result of the stock split of 4 shares per share on January 1, 2024, the number of shares has been adjusted to no more than 280,000 per year.

Note 3: As a result of the stock split of 4 shares per share on January 1, 2024, the number of shares has been adjusted to no more than 100,000 per year.

Views on Remuneration Proportion

- Based on the belief that a system for the healthy and sustainable growth of the Kyocera Group is important, the proportion of basic remuneration and restricted stock compensation is determined placing emphasis on the level and stability of basic remuneration as well as giving consideration to the pursuit of shareholder interests. Moreover, the higher the position of the Director, the higher the proportion of the restricted stock compensation to basic remuneration.
- For bonuses to Directors and performance-linked restricted stock compensation, to ensure maximize incentives for growing business results, no limit shall be established for proportions of basic remuneration or restricted stock compensation.

Process for Determining Remuneration

- The Nomination and Remuneration Committee composed of a majority of Outside Directors shall be established as an advisory body to the Board of Directors.
This committee receives inquiries from the Board of Directors and also upon referring to objective data such as benchmark results of executive compensation provided by external specialist organizations the committee validates the appropriateness of the Director remuneration system that encompasses the payment standard and calculation method for each type of remuneration, and restricted stock compensation grant standard, and the results shall be reported to the Board of Directors.
- The Chairman of the Board and Representative Director and the President and Representative Director shall be delegated with the authority to determine specific details for the amounts of individual remuneration for Directors based on a resolution of the Board of Directors.
- To ensure that the above delegated authority is properly exercised by the Chairman of the Board and Representative Director and the President and Representative Director, the Board of Directors shall consult with and obtain a report from the Nomination and Remuneration Committee on the payment standard and calculation method for each type of remuneration and the Chairman of the Board and Representative Director and the President and Representative Director shall make their determinations in accordance with the contents of the relevant report, and shall report the results of the determined payment amount and the number of shares to be allotted to the Nomination and Remuneration Committee.

Audit & Supervisory Board Members

Items determined at General Meeting of Shareholders: Basic Remuneration of no more than 100 million yen per year (The 55th Ordinary General Meeting of Shareholders held on June 25, 2009)
Individual payment amounts are determined within the range of the above resolution upon consultation among Audit & Supervisory Board Members.

Total Amount of Remuneration to Directors and Audit & Supervisory Board Members (FY2024)

(Yen in millions)

Classification	Amount of Remuneration	Basic Remuneration		Bonuses to Directors		Restricted Stock Compensation	
		Total amount	Persons paid (Persons)	Total amount	Persons paid (Persons)	Total amount	Persons paid (Persons)
Directors (excluding Outside Directors)	387	160	6	131	6	96	6
Outside Directors	42	42	4	—	—	—	—
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	48	48	2	—	—	—	—
Outside Audit & Supervisory Board Members	22	22	2	—	—	—	—
Total	499	272	14	131	6	96	6

Note 1: Aside from the remuneration in the above table, the aggregate amount of remuneration to directors (excluding Outside Directors) was 219 million yen for services as employees or executive officers for those directors who serve as such.

Note 2: No performance-linked restricted stock compensation is provided for the fiscal year ended March 31, 2024.

Cross-Shareholdings

Policy Regarding Cross-holding of Shares

We engage in cross-holding or unilateral holding of shares with the objective of improving our corporate value in the medium to long-term, focusing on corporate growth through maintenance of business relationships, realization of profits through shareholdings, and the social significance of the issuing companies.

If the Company judges, as a result of annual examination of its shareholdings, that a particular shareholding does not provide value to the Company, the Company will reduce such shareholding.

Also, in order to clarify the immediate policy to further reduce such shareholdings, in April 2023 the Company resolved at a meeting of its Board of Directors to adopt a target of reducing its shareholdings by at least 5% on a book value basis by the fiscal year ending March 31, 2026.

The Company founded Daini Denden Inc. (current KDDI Corporation) based on its management philosophy, “contributing to the advancement of society and humankind,” and since then the Company has been holding its shares. As the value of the shares of KDDI Corporation increased in reflection of its business development, the value of such shares within the Company's net assets has also increased.

The Company plans to maintain its shareholding in KDDI Corporation to further its strategic alliance with KDDI Corporation with the aim of increasing the Company's corporate value over the medium to long terms, and also to use such shares for procurement of investment funds necessary for the Company's sustainable growth.

Review of Cross-holdings of Shares

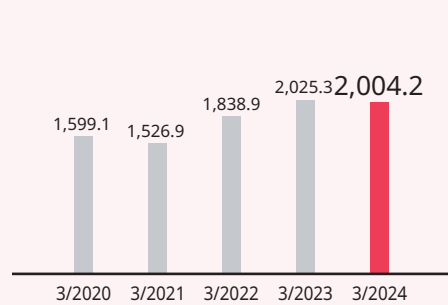
To achieve the target of reducing its shareholdings, the Company will conduct an annual review of all individual shareholdings to decide whether or not the Company's holding of the relevant shares is appropriate, taking into account the need to maintain the business relationship and/or efficiency in use of assets (taking into considering its cost of capital), etc. For any shares as to which a justifiable reason for holding them cannot be identified, the Company will decrease its holdings of such shares through discussions with the issuing company of such shares.

Exercise of Voting Rights

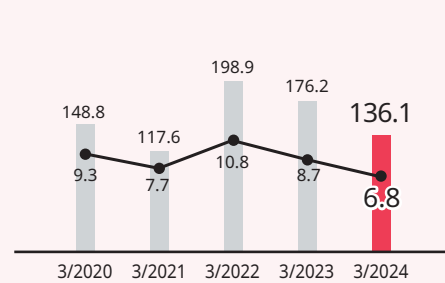
The Company exercises its voting rights represented by its holdings based on a comprehensive judgment, verifying whether each proposal continues to conform to the Company's shareholding policy and whether the issuing company's management policy and strategy remain consistent with the Company's business philosophy. The Company also examines whether each proposal submitted will contribute to a medium- to long-term increase in corporate value and the common interests of shareholders, or whether it will cause a decrease in management efficiency or damage to the Company's financial health.

Financial / Non-financial Highlights (from FY3/2020 to FY3/2024)

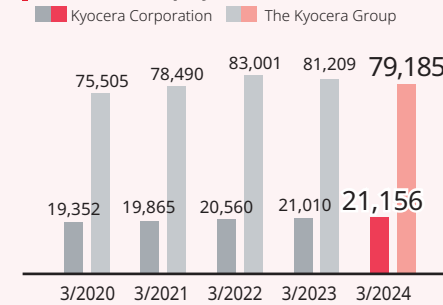
Sales revenue (billion yen)



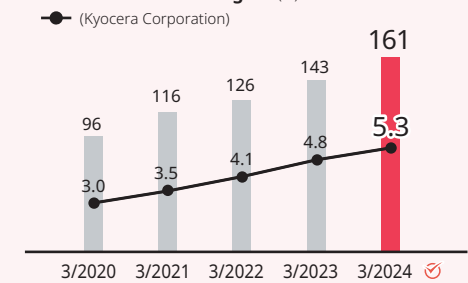
Profit before income taxes (billion yen) / Profit before income taxes to sales revenue (%)



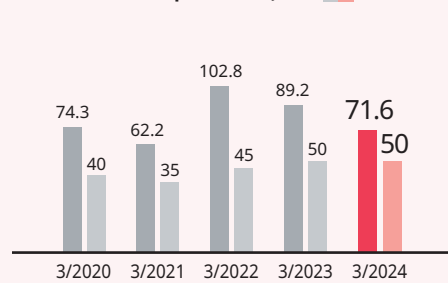
Number of employees



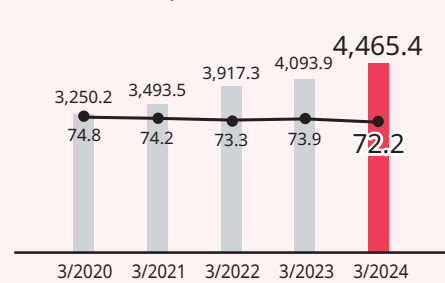
Number of female managers / Ratio of female managers (%)



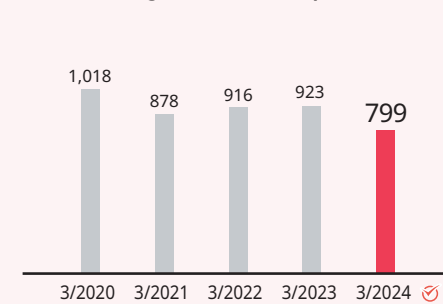
EPS – Basic (yen) / Cash dividends per share (yen)



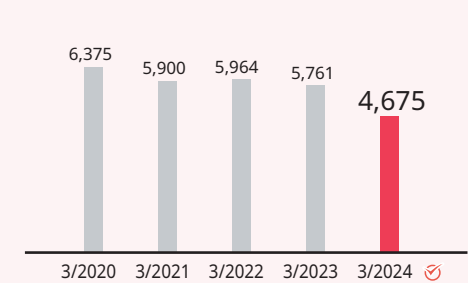
Total assets (billion yen) / Ratio of equity attributable to owners of the parent to total assets (%)



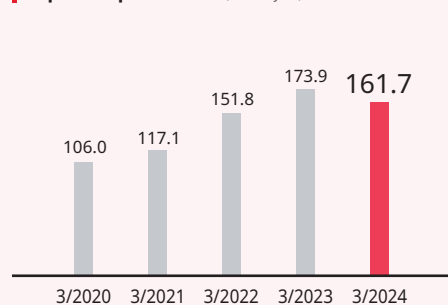
Greenhouse gas emissions (Scope 1, 2) (1,000 tons-CO₂)



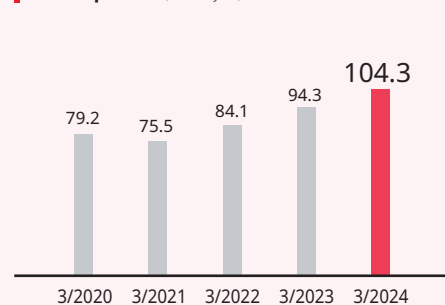
Greenhouse gas emissions (Scope 1, 2, 3) (1,000 tons-CO₂)



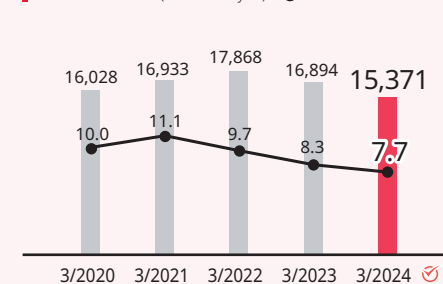
Capital expenditures (billion yen)



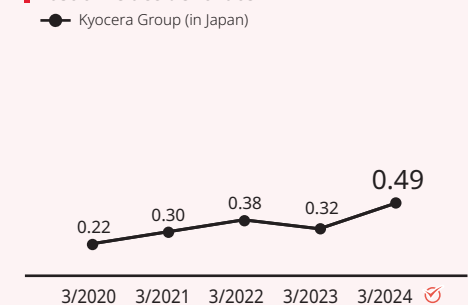
R&D expenses (billion yen)



Water consumption (1,000m³) / Per net sales (m³/million yen)



Lost time accident rate



Note 1: Calculated based on the number of the shares after the stock split at the ratio of 4 for 1 implemented on January 1, 2024.

Note 2: Number of female managers / Total number of managers
 Note 3: Scope1 Direct emissions associated with fuel consumption and production processes
 Scope2 Indirect emissions associated with consumption of power or heat purchased from outside

Note 4: Scope3 Indirect emissions other than Scope 1 or 2 (including procurement of raw materials, transport and use and disposal of products, as well as employee commuting and business trips)

Note 5: Number of afflicted persons / 1 million hours (The number of days of missed work is as per the standards of the Ministry of Health, Labour and Welfare.)

11-Year Financial Summary

Major consolidated financial data (from FY3/2014 to FY3/2024)

											(Yen in billions)
FY: For the years ended March 31.	3/2014	3/2015	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023	3/2024
Sales revenue and profit											
Sales revenue	1,447.4	1,526.5	1,479.6	1,422.8	1,577.0	1,623.7	1,599.1	1,526.9	1,838.9	2,025.3	2,004.2
Operating profit	120.6	93.4	92.7	104.5	90.7	94.8	100.2	70.6	148.9	128.5	92.9
Operating profit to sales revenue (%)	8.3	6.1	6.3	7.3	5.8	5.8	6.3	4.6	8.1	6.3	4.6
Profit before income taxes	146.3	121.9	145.6	137.8	130.0	140.6	148.8	117.6	198.9	176.2	136.1
Profit before income taxes to sales revenue (%)	10.1	8.0	9.8	9.7	8.2	8.7	9.3	7.7	10.8	8.7	6.8
Profit attributable to owners of the parent	88.8	115.9	109.0	103.8	79.1	103.2	107.7	90.2	148.4	128.0	101.1
Profit attributable to owners of the parent to sales revenue (%)	6.1	7.6	7.4	7.3	5.0	6.4	6.7	5.9	8.1	6.3	5.0
Assets and equity											
Total assets	2,636.7	3,021.2	3,095.0	3,110.5	3,128.8	2,968.5	3,250.2	3,493.5	3,917.3	4,093.9	4,465.4
Equity attributable to owners of the parent	1,910.1	2,215.3	2,284.3	2,334.2	2,325.8	2,265.9	2,432.1	2,591.4	2,871.6	3,023.8	3,225.6
Per share data											
EPS (Diluted-yen) ^(A)	60.5	79.0	74.3	70.7	53.8	71.2	74.3	62.2	102.8	89.2	71.6
Cash dividends per share (yen) ^(B)	20	25	25	27.5	30	35	40	35	45	50	50
BPS: Equity per share attributable to owners of the parent (yen)	1,301.6	1,509.7	1,556.6	1,587.0	1,581.3	1,565.9	1,677.6	1,787.5	2,000.2	2,106.2	2,289.9
Capital expenditures, Depreciation charge, R&D expenses											
Capital expenditures	56.6	56.7	68.9	67.8	86.5	117.0	106.0	117.1	151.8	173.9	161.7
Depreciation charge of property, plant and equipment	65.8	62.4	65.9	66.0	69.7	51.5	62.4	73.8	90.2	108.8	111.7
R&D expenses	48.8	55.3	58.8	55.4	58.3	69.9	79.2	75.5	84.1	94.3	104.3
Cash flows											
Cash flows from operating activities	149.1	130.8	194.0	164.2	158.9	220.0	214.6	220.8	202.0	179.2	269.1
Cash flows from investing activities	(101.1)	(93.6)	(106.8)	(112.1)	(53.1)	(47.1)	(145.6)	(183.8)	(79.5)	(168.8)	(158.4)
Cash flows from financing activities	(32.8)	(40.0)	(50.6)	(48.0)	(51.6)	(89.1)	(157.1)	(81.0)	(111.5)	(61.3)	(82.6)
Free cash flow ^(C)	48.0	37.2	87.2	52.1	105.8	172.9	69.1	37.0	122.5	10.4	110.7
ROA, ROE, EBITDA											
ROA (%)	5.9	4.3	4.8	4.4	4.2	4.6	4.8	3.5	5.4	4.4	3.2
ROE (%)	5.0	5.6	4.8	4.5	3.4	4.5	4.6	3.6	5.4	4.3	3.2
EBITDA ^(D)	224.4	196.6	224.0	216.1	213.9	205.7	243.1	228.8	330.7	329.4	298.4
Others											
Dividend payout ratio (%)	33.1	31.7	33.6	38.9	55.8	49.1	53.8	56.2	43.8	56.1	69.9
Number of employees	69,789	68,185	69,229	70,153	75,940	76,863	75,505	78,490	83,001	81,209	79,185

• Kyocera Group has adopted IFRS in lieu of U.S.GAAP from the year ended March 31, 2019 (FY3/2019). Accordingly, financial results for the year ended March 31, 2018 (FY3/2018) have been reclassified in accordance with IFRS. Account titles are also presented in accordance with IFRS.
 • No figures have been restated due to changes in accounting standards for the figures from the year ended March 31, 2014 (FY3/2014) to the year ended March 31, 2017 (FY3/2017) in the above table. The per-share data in each fiscal year are calculated based on the number of the shares after the stock split at the ratio of 4 for 1 implemented on January 1, 2024.

Note: (A) Earnings per share (EPS) attributable to owners of the parent - Diluted is calculated by adjusting the effects of dilutive potential stocks during the corresponding fiscal year period.

From the year ended March 31, 2020 (FY3/2020) instead of EPS attributable to owners of the parent - Diluted, EPS attributable to owners of the parent - Basic is described in the above table, as there is no potential share.

(B) Cash dividends per share in the year ended March 31, 2019 (FY3/2019) includes the 60th anniversary commemoration dividend in the amount of 5 yen per share.

(C) Free cash flow = Cash flows from operating activities + Cash flows from investing activities

(D) EBITDA = Profit before income taxes + Depreciation and amortization + Finance expenses (excluding foreign exchange losses)

Consolidated Financial Statements

Consolidated Statement of Financial Position

(Yen in millions)

	As of March 31, 2023	As of March 31, 2024
(Assets)		
Current assets:	1,357,312	1,439,354
Cash and cash equivalents	373,500	424,792
Trade and other receivables	380,972	392,212
Other financial assets	23,402	35,541
Inventories	539,441	540,225
Other current assets	39,997	46,584
Non-current assets:	2,736,616	3,026,022
Equity and debt instruments	1,508,258	1,640,038
Investments accounted for using the equity method	16,752	15,979
Other financial assets	42,567	46,539
Property, plant and equipment	587,478	665,990
Right-of-use assets	62,620	82,642
Goodwill	271,156	282,879
Intangible assets	147,782	152,171
Deferred tax assets	39,759	50,774
Other non-current assets	60,244	89,010
Total assets	4,093,928	4,465,376

(Yen in millions)

	As of March 31, 2023	As of March 31, 2024
(Liabilities)		
Current liabilities:	461,074	470,189
Borrowings	29,060	9,394
Trade and other payables	203,864	212,133
Lease liabilities	20,351	24,378
Other financial liabilities	4,741	5,934
Income tax payables	17,224	22,530
Accrued expenses	135,836	142,338
Provisions	8,014	8,474
Other current liabilities	41,984	45,008
Non-current liabilities:	584,019	742,329
Borrowings	107,726	199,760
Lease liabilities	52,664	70,659
Retirement benefit liabilities	8,621	9,138
Deferred tax liabilities	393,961	441,345
Provisions	10,239	11,594
Other non-current liabilities	10,808	9,833
Total liabilities	1,045,093	1,212,518
(Equity)		
Equity attributable to owners of the parent:	3,023,777	3,225,595
Common stock	115,703	115,703
Capital surplus	119,144	118,754
Retained earnings	1,912,372	1,967,527
Other components of equity	969,801	1,166,752
Treasury stock	(93,243)	(143,141)
Non-controlling interests	25,058	27,263
Total equity	3,048,835	3,252,858
Total liabilities and equity	4,093,928	4,465,376

Consolidated Statement of Profit or Loss

	(Yen in millions)	
	For the year ended March 31, 2023	For the year ended March 31, 2024
Sales revenue	2,025,332	2,004,221
Cost of sales	1,460,388	1,451,110
Gross profit	564,944	553,111
Selling, general and administrative expenses	436,427	460,188
Operating profit	128,517	92,923
Finance income	52,289	60,839
Finance expenses	8,245	18,836
Share of net profit (loss) of investments accounted for using the equity method	695	△ 526
Other, net	2,936	1,743
Profit before income taxes	176,192	136,143
Income taxes	45,227	31,316
Profit for the year	130,965	104,827
Profit attributable to:		
Owners of the parent	127,988	101,074
Non-controlling interests	2,977	3,753
Profit for the year	130,965	104,827
Per share information:		
Comprehensive income attributable to owners of the parent:		
Basic and diluted EPS (yen)	89.2	71.6

Consolidated Statement of Comprehensive Income

	(Yen in millions)	
	For the year ended March 31, 2023	For the year ended March 31, 2024
Profit for the year	130,965	104,827
Other comprehensive income, net of taxation		
Items that will not be reclassified to profit or loss:		
Financial assets measured at fair value through other comprehensive income.....	25,263	101,351
Re-measurement of defined benefit plans	6,890	17,853
Total items that will not be reclassified to profit or loss.....	32,153	119,204
Items that may be reclassified subsequently to profit or loss:		
Net changes in fair value of cash flow hedge.....	(12)	(47)
Exchange differences on translating foreign operations	64,175	103,532
Share of other comprehensive income of investments accounted for using the equity method...	(48)	167
Total items that may be reclassified subsequently to profit or loss:	64,115	103,652
Total other comprehensive income	96,268	222,856
Comprehensive income for the year	227,233	327,683
Comprehensive income attributable to:		
Owners of the parent	223,978	323,000
Non-controlling interests	3,255	4,683
Comprehensive income for the year	227,233	327,683

• Kyocera Corporation implemented a four for one stock split on January 1, 2024, and the per-share data in each fiscal year are retrospectively recalculated based on the ratio of the stock split.

Consolidated Statement of Changes in Equity

(Yen in millions)

For the year ended March 31, 2023	Total equity attributable to owners of the parent						Noncontrolling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
Balance as of April 1, 2022	115,703	122,751	1,846,102	880,297	(93,299)	2,871,554	26,719	2,898,273
Profit for the year			127,988			127,988	2,977	130,965
Other comprehensive income				95,990		95,990	278	96,268
Total comprehensive income for the year	—	—	127,988	95,990	—	223,978	3,255	227,233
Cash dividends			(68,192)			(68,192)	(2,741)	(70,933)
Purchase of treasury stock					(14)	(14)		(14)
Reissuance of treasury stock		34			70	104		104
Transactions with non-controlling interests		(3,641)				(3,641)	(2,191)	(5,832)
Transfer to retained earnings			6,486	(6,486)		—		—
Others			(12)			(12)	16	4
Balance as of March 31, 2023	115,703	119,144	1,912,372	969,801	(93,243)	3,023,777	25,058	3,048,835

(Yen in millions)

For the year ended March 31, 2024	Total equity attributable to owners of the parent						Noncontrolling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
Balance as of April 1, 2023	115,703	119,144	1,912,372	969,801	(93,243)	3,023,777	25,058	3,048,835
Profit for the year			101,074			101,074	3,753	104,827
Other comprehensive income				221,926		221,926	930	222,856
Total comprehensive income for the year	—	—	101,074	221,926	—	323,000	4,683	327,683
Cash dividends			(71,149)			(71,149)	(2,321)	(73,470)
Purchase of treasury stock					(50,015)	(50,015)		(50,015)
Reissuance of treasury stock		48			117	165		165
Transactions with non-controlling interests		(438)				(438)	(157)	(595)
Transfer to retained earnings			24,975	(24,975)		—		—
Others			255			255		255
Balance as of March 31, 2024	115,703	118,754	1,967,527	1,166,752	(143,141)	3,225,595	27,263	3,252,858

Consolidated Statement of Cash Flows

(Yen in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2024
Cash flows from operating activities:		
Profit for the year	130,965	104,827
Depreciation and amortization	149,603	156,950
Finance expenses (income)	(44,044)	(42,003)
Share of net profit of investments accounted for using the equity method	(695)	526
(Gains) losses from sales or disposal of property, plant and equipment	(1,667)	(298)
Income taxes	45,227	31,316
(Increase) decrease in trade and other receivables	9,732	22,432
(Increase) decrease in inventories	(67,949)	36,825
(Increase) decrease in other assets	10,307	1,337
Increase (decrease) in trade and other payables	(29,661)	(38,792)
Increase (decrease) in accrued expenses	2,752	(836)
Increase (decrease) in other liabilities	(25,554)	2,608
Other, net	1,833	(17,816)
Subtotal	180,849	257,076
Interests and dividends received	52,362	60,462
Interests paid	(2,535)	(4,176)
Income taxes refund (paid)	(51,464)	(44,293)
Net cash provided by operating activities	179,212	269,069
Cash flows from investing activities:		
Payments for purchases of property, plant and equipment	(176,624)	(147,654)
Payments for purchases of intangible assets	(10,019)	(12,085)
Proceeds from sales of property, plant and equipment	3,595	2,535
Acquisitions of business, net of cash acquired	(3,093)	(2,515)
Acquisition of time deposits and certificate of deposits	(14,694)	(16,260)
Withdrawal of time deposits and certificate of deposits	33,966	5,017
Payments for purchases of securities	(5,071)	(1,625)
Proceeds from sales and maturities of securities	4,960	14,789
Other, net	(1,853)	(615)
Net cash used in investing activities	(168,833)	(158,413)

(Yen in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2024
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(10,000)	(20,000)
Proceeds from long-term borrowings	98,198	100,611
Repayments of long-term borrowings	(49,518)	(11,051)
Repayments of lease liabilities	(23,975)	(26,845)
Dividends paid	(70,117)	(74,704)
Purchase of treasury stock	(14)	(50,015)
Other, net	(5,831)	(592)
Net cash used in financing activities	(61,257)	(82,596)
Effect of exchange rate changes on cash and cash equivalents		
	10,249	23,232
Increase (decrease) in cash and cash equivalents	(40,629)	51,292
Cash and cash equivalents at the beginning of the year	414,129	373,500
Cash and cash equivalents at the end of the year	373,500	424,792

Company and Stock Information

Corporate Summary (as of March 31, 2024)

Established	April 1, 1959	Stock Listing	Prime market, Tokyo Stock Exchange (6971)
Global headquarters	6 Takeda Tobadono-cho, Fushimi-ku, Kyoto, Japan 612-8501	Closing date	March 31
Capital	115,703 million yen	Record date for the determination of shareholders	Voting rights at Ordinary General Meeting of Shareholders, year-end dividend: March 31 Interim dividend: September 30
Consolidated sales revenue	2,004,221 million yen	Ordinary General Meeting of Shareholders	June
Group companies	293 (Including KYOCERA Corporation)		
Group employees	79,185 (Japan: 28,791, Outside Japan: 50,394) (Excluding non-consolidated subsidiaries and affiliates accounted for by the equity method)		

Main Kyocera Group Companies (as of March 31, 2024)

Japan

KYOCERA Industrial Tools Corporation
KYOCERA Communication Systems Co., Ltd.
KYOCERA Document Solutions Inc.
KYOCERA Document Solutions Japan Inc.
KYOCERA Realty Development Co., Ltd.

Asia

KYOCERA (China) Sales & Trading Corporation
Dongguan Shilong KYOCERA Co., Ltd.
KYOCERA Document Technology (Dongguan) Co., Ltd.
KYOCERA Korea Co., Ltd.
KYOCERA Vietnam Co., Ltd.
KYOCERA Document Technology Vietnam Co., Ltd.
KYOCERA (Thailand) Co., Ltd.
KYOCERA Asia Pacific Pte. Ltd.

Europe

KYOCERA Europe GmbH
KYOCERA Document Solutions Deutschland GmbH
TA Triumph-Adler GmbH
KYOCERA Document Solutions Europe Management B.V.
KYOCERA UNIMERCO A/S

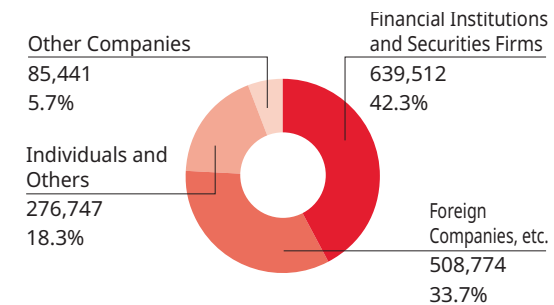
North America

KYOCERA International, Inc.
KYOCERA AVX Components Corporation
KYOCERA SENCO Industrial Tools, Inc.
KYOCERA Industrial Tools, Inc.
KYOCERA Document Solutions America, Inc.

Share (as of March 31, 2024)

Total Number of Shares	2,400,000,000 shares
Authorized to Be Issued	Note: Because of the changes in the articles of association regarding the four-to-one stock split implemented on January 1, 2024, the total number of shares authorized for issue increased by 1,800,000,000.
Total Number of Shares Issued	1,510,474,320 shares (of which 101,831,108 are treasury shares)
	Note: Because of the changes in the articles of association regarding the four-to-one stock split implemented on January 1, 2024, the total number of shares issued increased by 1,132,855,740.
Number of Shareholders	84,487

Shareholder Composition (Shares in thousands)

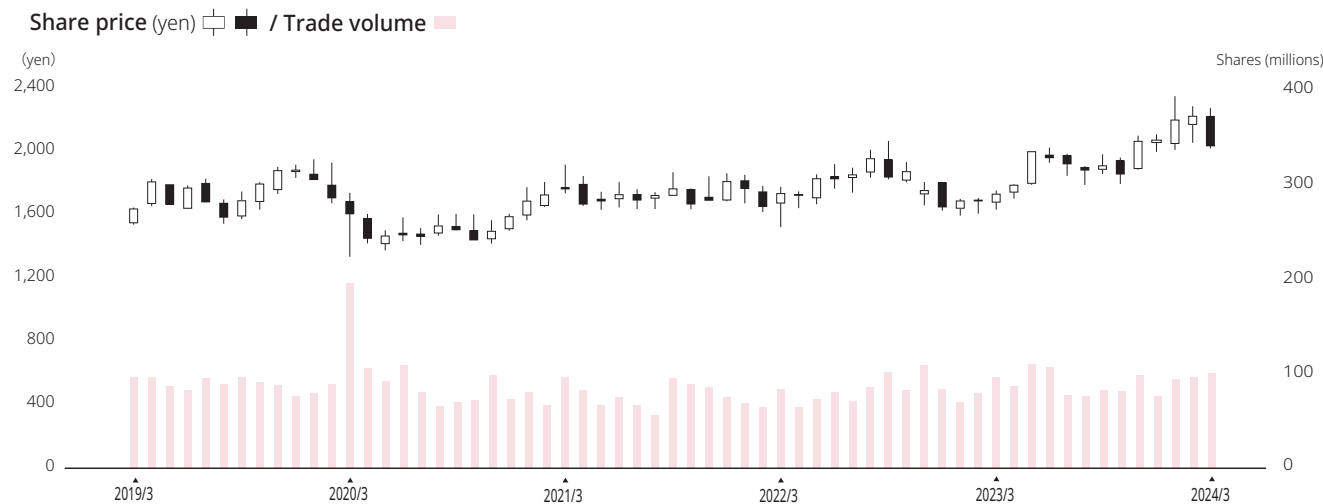


Major Shareholders (Top 10 Largest Shareholders)

Name	Number of Shares Owned (Shares in thousands)	Share Ownership Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	318,682	22.62
Custody Bank of Japan, Ltd. (Trust Account)	126,782	9.00
The Bank of Kyoto, Ltd.	57,745	4.10
SSBTC CLIENT OMNIBUS ACCOUNT	41,678	2.96
Inamori Foundation	37,440	2.66
STATE STREET BANK WEST CLIENT - TREATY 505234	27,060	1.92
Stock Purchase Plan for Kyocera Group Employees	23,735	1.68
JP MORGAN CHASE BANK 385632	21,641	1.54
MUFG Bank, Ltd.	20,307	1.44
HSBC HONG KONG - TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	20,148	1.43

Note: Share ownership ratios are calculated after deduction of the treasury shares.

Trends of Share Price (March 31, 2019 to March 31, 2024)



Note: Share price and trade volume are calculated based on the number of the shares after the stock split at the ratio of 4 for 1 implemented on January 1, 2024.

Total Shareholder Return (TSR)

	2020/3	2021/3	2022/3	2023/3	2024/3
Kyocera Corporation (%)	101.0	112.7	113.3	116.4	138.0
Dividend-included TOPIX (%)	90.5	128.6	131.2	138.8	196.2

Note: Total shareholder return is calculated based on the share price as of the end of March 2019 as 100.

Annual Cash Dividend per Share and Consolidated Payout Ratio

	2020/3	2021/3	2022/3	2023/3	2024/3
Cash dividends per share (yen)	40	35	45	50	50
Consolidated payout ratio (%)	53.8	56.2	43.8	56.1	69.9

Note: Dividends are calculated based on the number of the shares after the stock split at the ratio of 4 for 1 implemented on January 1, 2024.

Information about the Kyocera Group



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