

To All Persons Concerned

Name of Company Listed: Kyocera Corporation
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Notice Regarding Changes Addressing the Corporate Governance Code [1.4 Cross-Shareholdings]

This is to advise you that Kyocera Corporation (the “Company”) announces that at the Meeting of the Board of Directors held on February 3, 2025, the Company has decided to make certain changes addressing the Corporate Governance Code [1.4 Cross-Shareholdings], as described below.

This change is also reflected in the Corporate Governance Report updated today.

1. Background of the changes

As the Company strives to propel corporate reforms to both capital strategy and business strategy, the Company has decided to accelerate the sale of its holding of KDDI Corporation shares as part of the revision to its capital strategy.

2. Details of the changes

In light of the above background, “the Corporate Governance Code [1.4 Cross-Shareholdings] Policy regarding cross-holding, including unilateral holding, of shares (seisaku hoyuu kabushiki)” is revised as follows.

Current	After change
<p>Policy regarding cross-holding, including unilateral holding, of shares (seisaku hoyuu kabushiki): 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.</p> <p>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.</p> <p>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.</p> <p><u>*Recently</u>, reflecting significant changes in the business conditions of the Company and KDDI Corporation, the Company has determined that it is time for it to review its holding of the shares of KDDI Corporation. Furthermore, taking into consideration the Company’s need for investment funds toward the future, the Company has decided that it is necessary for the Company to have an alternative source of investment funds through the sale of some such shares, in addition to borrowings using KDDI Corporation shares as collateral. Based on these determinations, the Company made an announcement on October 30, 2024, that one-third of such shares held by the Company will be sold over the next five years, and that the Company will consider further reduction of its holding of these shares thereafter.</p>	<p>Policy regarding cross-holding, including unilateral holding, of shares (seisaku hoyuu kabushiki): 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.</p> <p>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.</p> <p>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.</p> <p><u>*Reflecting on</u> significant changes in the business conditions of the Company and KDDI Corporation, the Company has determined that it is time for it to review its holding of shares of KDDI Corporation. Furthermore, taking into consideration the Company’s need for investment funds toward the future, the Company has decided that it is necessary for the Company to have an alternative source of investment funds through the sale of some such shares, in addition to borrowings using KDDI Corporation shares as collateral. Based on these determinations, the Company made an announcement on October 30, 2024, that one-third of such shares held by the Company will be sold over the next five years, and that the Company will consider further reduction of its holdings of these shares thereafter.</p> <p><u>Since then, as the Company strives to propel corporate reforms to both capital strategy and business strategy, the Company has decided to accelerate the sale of the shares as part of the revision to its capital strategy. Based on this determination, the Company made another announcement on February 3, 2025, that one-third of the KDDI Corporation shares held by the Company will be sold over the next two years, and that the Company will further reduce its holdings of these shares thereafter.</u></p>