



INTEGRATED REPORT 2025

KYOCERA Corporation



Editorial Policy

This report is designed to provide information on the efforts made by the Kyocera Group toward sustainable growth in an integrated manner to all stakeholders including our employees, customers, business partners, and local communities as well as our shareholders and investors in terms of financial aspects and non-financial aspects including ESG.

The 2025 report centers around the “Kyocera Philosophy” that has been our Company’s source of value creation since the foundation. As it’s time for Kyocera to proceed to the next phase of growth that only Kyocera can achieve, we believe that we need to reconfirm the significance of the Kyocera Philosophy and share the values and perspectives we focus on to put it into practice. We hope that we can tell our stories on value creation based on the Kyocera Philosophy to you all and deepen our dialogues as partners that will shape a better future together.

As for the disclosure of this report, we have referred to the International Integrated Reporting Framework published by the IFRS Foundation and the Guidance for Collaborative Value Creation published by Japan’s Ministry of Economy, Trade and Industry. We disclose ESG information by referring to the GRI Standards and promote the disclosure of sustainability information that is important to the Kyocera Group based on the Sustainability Accounting Standards developed by the Sustainability Accounting Standards Board (SASB).

Scope of the Report

Coverage period : April 1, 2024 – March 31, 2025

(However, where it is appropriate to report the past or recent data or activities, data recorded or activities conducted outside the period above are included in this report.)

Subject : The Kyocera Group (when referring to different subject companies, they are specified.)

Representation of the company names : In this report, the company names are written as follows.

Kyocera, our Company : Kyocera Corporation

Kyocera Group, our Group, the whole company : Kyocera Corporation and its consolidated subsidiaries

Group company : Consolidated subsidiary

Notes on Prospects


The future prospects described in this report have been predicted and declared by our Company based on the information disclosed in May 2025 and include the existing and unknown risks, uncertain factors, and other factors. Due to these risks, uncertain factors, and other factors, the actual performance, business activities, developments, or financial conditions of our Company may substantially differ from the future performance, business activities, developments, or financial conditions clearly specified or implied in the future prospects. Our Company takes no responsibility for the future prospects included in this report.

Numeric Format

• Monetary amounts and proportions (%) in this report are rounded off. In addition, each proportion has been obtained by comparing the figures in units of 1 million yen.

• The International Financial Reporting Standards (IFRS) are applied. Furthermore, detailed information is disclosed on the “Investor Relations” and “Sustainability” pages of our website.

Third-Party Assurance

To ensure the reliability of this report, the indicators marked with  have been assured by LRQA Limited as an independent third party.

Contents

What we have been valuing and adhering to

1

- | | |
|---|------|
| 1. Corporate Motto / Management Rationale / Management Philosophy | P.03 |
| 2. How management should be, based on the Kyocera Philosophy | P.04 |
| 3. Principles included in the Kyocera Philosophy | P.05 |
| 4. DNA of the Kyocera Philosophy | P.06 |
| 5. Growing our business based on the Kyocera Philosophy | P.07 |

About Kyocera

2

- | | |
|--|------|
| 1. Today’s Kyocera in numbers | P.09 |
| 2. History of our growth | P.10 |
| 3. Future technologies developed based on the Kyocera Philosophy 1 | P.11 |
| 4. Future technologies developed based on the Kyocera Philosophy 2 | P.12 |

Toward the Growth of Kyocera

3

- | | |
|------------------------|------|
| 1. President’s Message | P.14 |
|------------------------|------|

The value we create

4

- | | |
|---|------|
| 1. Value creation stories | P.20 |
| 2. About materiality | P.21 |
| 3. Message from the Senior Executive Vice President of Headquarters | P.24 |

The Most Important Management Resource

5

- | | |
|--|------|
| 1. Kyocera Group Human Capital | P.27 |
| 2. Fulfillment of Human Capital – Dissemination of the philosophy | P.28 |
| 3. Fulfillment of Human Capital – Capability Development | P.29 |
| 4. Fulfillment of Human Capital – Creating challenging opportunities | P.30 |
| 5. Fulfillment of Human Capital – Promotion of Inclusion and Belonging | P.31 |

Toward the creation of new value for society

6

- | | |
|---|------|
| 1. Business Segments and Four Main Growth Markets | P.34 |
| 2. Core components | P.35 |
| 3. Electronic components | P.37 |
| 4. Solutions | P.39 |
| 5. Promotion of R&D | P.41 |
| 6. Intellectual Property Strategy | P.43 |
| 7. Creation of new businesses | P.44 |

Inclusive Society We Aim to Realize

7

- | | |
|--|------|
| 1. Advancing Sustainability Management | P.46 |
| 2. Toward the reduction of environmental impacts | P.47 |
| 3. Respect for human rights | P.53 |
| 4. Ensuring a Sustainable Supply Chain | P.55 |
| 5. Improvement of stakeholder engagement | P.56 |

Our Management

8

- | | |
|---|------|
| 1. Capital Strategies | P.58 |
| 2. Risk Management and Business Continuity Plan (BCP) Initiatives | P.60 |
| 3. Compliance | P.62 |
| 4. Digital Transformation | P.63 |

Corporate Governance

9

- | | |
|--|------|
| 1. Interview with the Outside Directors | P.67 |
| 2. Messages from Outside Directors & Outside Audit and Supervisory Board Members | P.70 |
| 3. Directors & Audit and Supervisory Board Members | P.71 |
| 4. Corporate Governance Structure | P.73 |
| 5. Composition of the Board of Directors | P.74 |
| 6. Initiatives to Strengthen Board Functions | P.75 |
| 7. Compensation for Directors & Audit and Supervisory Board Members | P.76 |



1

What we have been valuing and adhering to

1. Corporate Motto / Management Rationale / Management Philosophy	P.03
2. How management should be, based on the Kyocera Philosophy	P.04
3. Principles included in the Kyocera Philosophy	P.05
4. DNA of the Kyocera Philosophy	P.06
5. Growing our business based on the Kyocera Philosophy	P.07

Corporate Motto / Management Rationale / Management Philosophy

敬天愛人

Corporate Motto

“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

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

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.

Management based on a strong bond of human minds and the Kyocera Philosophy

Kyocera started as a small, suburban workshop, with no money, credentials or reputation. We had nothing to rely on but a new technology and 28 trustworthy colleagues.

Nonetheless, the company experienced rapid growth because everyone exerted their maximum efforts and managers devoted their lives to earning the trust of employees. We wanted to be an excellent company where all employees could believe in each other, abandon selfish motives, and be truly proud to work. This desire became the foundation of Kyocera's management.

Human minds are said to be easily changeable. Yet, there is nothing stronger than the human mind.



Founder
Kazuo Inamori

Kyocera developed into what it is today because it is based on a strong bond of human minds, the Kyocera Philosophy created by Kyocera's founder, Kazuo Inamori, and Amoeba Management, which facilitates management by all employees.

How management should be, based on the Kyocera Philosophy

Becoming “The Company” and gaining the respect of the world

Creating new businesses based on “doing what is right” and contributing to our future society

■ The “basic principles for life” learned at Kyocera

I first encountered the Kyocera Philosophy in a booklet the company sent to me when I was hired. What struck me when I first read it was the passion in the words. The concept that everything starts with a thought, and the idea that the most important thing is the mindset to follow through without hesitation aligned very closely with my own way of thinking. I am currently in a position to share the Kyocera Philosophy with others. I often say that Kyocera is a place where you can contemplate what is right as a human being, and develop the mindset required to run a business. The Kyocera Philosophy comprises basic principles for life; learning it will enhance your humanity, enabling you to walk the right path while avoiding pitfalls that lead to mistakes in your work and life.

■ Business is for people and society

The Kyocera Philosophy presents criteria for making decisions, not a guide for judging what is good or bad for one's self or even what is profitable for the company. It is a guide to judging whether an action is the right thing to do as a human being. Kyocera strives to face difficulties with an altruistic mind, which is particularly important, and we have developed a number of businesses through tedious and honest effort. For example, our founder, Kazuo Inamori, started working on the solar

power business about 50 years ago, and he did so with the future of people and the planet in mind. In terms of recent projects, “FOREARTH” is an innovative textile inkjet printer designed to reduce water use to zero as a way of coexisting with nature. This is one of many ways that Kyocera strives to achieve sustainable textile printing.

■ New businesses and dreams for the future that spread to the world

What I expect from Kyocera in the future is to continue developing people with the mindset that everyone is a manager within the framework of the Kyocera Philosophy. I hope we will develop people who will take on new challenges, develop businesses, and contribute to our future society. My hope is that these people continue to grow, elevate their character, pull together and even enhance our corporate identity so Kyocera will be respected around the world and be known as “The Company.” Another of my dreams is to create a wonderful environment not only at Kyocera, but around the world, and not only in business, but also in a wide range of other fields, where people who have learned the Kyocera Philosophy will help improve society.

Chairman and
Representative Director

Goro Yamaguchi



Principles included in the Kyocera Philosophy

Do what's right. Do what's new.

Creating corporate value through ideal attitudes based on the Kyocera Philosophy

In pursuing future business growth and development, the “Kyocera Philosophy” serves as the set of guiding principles shared by everyone in the Kyocera Group.

Using “Do what is right as a human being” as our core standard of judgment,

we always strive to prioritize sincerity and create new value for humankind, powered by the unified efforts of all our diverse employees worldwide.

We are also committed to using our unique technologies and capabilities to help solve challenges critical to society as we aim toward our future ideal of “The Company,” a trusted and respected member of the global community we serve.



Kyocera Philosophy DNA in our work and our lives

A heartfelt spirit of challenge: Establishing new model lines that increase productivity

As part of the Doubling Productivity Project that was launched in 2017, I have been working as the project leader on the design and establishment of model production lines capable of further improving productivity and labor-saving. This is what I have longed to do ever since I joined Kyocera, and it aligns perfectly with the words of the Kyocera Philosophy, “Possess a Fighting Spirit,” which I value greatly. Overcoming many challenging obstacles, my team members and I succeeded in establishing the first model line in the project at the Kagoshima Kokubu Plant, where I am assigned. This fills me with a significant sense of accomplishment. Going forward, I will maintain my fighting spirit, never be satisfied with the status quo, and pursue even higher productivity with my colleagues as we grow together.

KYOCERA Corporation Kagoshima Kokubu Plant
Corporate Fine Ceramic Business Group

Koushi Kimoto

“Possess a Fighting Spirit”



“Be Thankful”

KYOCERA Document Solutions Inc.,
Head Office, Technology Division

Ai Takagami

Keeping these words in mind, we developed a drum system with the market’s longest lifespan

Kyocera continues to develop printers and MFPs with lower environmental impact in accordance with the ECOSYS concept. I was part of the team developing a printing drum system using durable, long-life amorphous silicon (a-Si) photoreceptor drums. Our efforts paid off when we succeeded in developing a drum system that delivers the longest service life on the market¹. The sense of accomplishment that came with our success remains vividly etched in my memory and continues to be a strong motivator. I am now in charge of toner development, and I’m learning much from scratch. What I focus on in my work is to “Be Thankful,” which is part of the Kyocera Philosophy. I know that my team members work hard and always strive to do their best, so instead of taking that for granted, I make every effort to express my appreciation to them daily. While being thankful for the efforts of the people around me, I will continue providing better products to customers by combining our high-quality toners with drums that offer even longer operating lifespans.

1 As of September 2025, according to Kyocera Document Solutions Inc.
(Applicable model: TASKalfa 6052ci series)

The Kyocera Philosophy has been continuously passed down, bringing growth and success to our employees. Each principle contributes to the great strength of Kyocera as a whole.

All for our team – project to develop sensors for self-driving systems that save lives

I started at Kyocera as a sales engineer in the Semiconductor Components Division. Now 22 years later, I have become a Senior Sales Manager. Looking back over my years at Kyocera, the most memorable work I’ve done was the project to develop sensors capable of integrating and managing multiple data streams using an ASIC (Application-Specific Integrated Circuit), which enhances the safety of self-driving systems. I take the Kyocera Philosophy principle to “Work Earnestly” very seriously, which also helps my team. If I do my best, it motivates the people around me to try harder. My role is not about individual performance. It is about working as a member of the team, and an important part of my responsibility is unifying my teammates. I would also like to continue mentoring teammates to pass my knowledge and experience on to the next generation.

KYOCERA Europe GmbH

Florian Wurster

“Work Earnestly”



Growing our business based on the Kyocera Philosophy

From materials to solutions, focusing on four main markets to address society's needs

Kyocera was established with Fine Ceramic technology developed by our founder, Dr. Kazuo Inamori, and we continue to create new value based on our Kyocera Philosophy. Today, we operate a wide range of businesses that support critical industries and everyday life, addressing societal needs and pursuing new challenges for the progress and development of humankind.



Scene from Kyocera's founding



Information and Communications

Connecting the world and creating the future of information and communications

Our fast-changing global society depends on convenient and effective communications. Using technology developed over many years, Kyocera is contributing to the development of an information-driven world with optimized communications infrastructure — including mobile devices and other equipment to keep pace with evolving applications, and solutions to support the revolution in AI (artificial intelligence) and DX (digital transformation).



Automotive

Pioneering safe and secure mobility, from devices to infrastructure

Preparing for the future of autonomous mobility, Kyocera develops not only in-vehicle devices such as cameras and displays, but also infrastructure utilizing our unique communications technology. Kyocera supports the mobility industry with diverse solutions to enhance safety and security in vehicles ranging from automobiles to drones.



Environment and Energy

Contributing to a sustainable society with environment-friendly solutions

Creating a “decarbonized” society to minimize climate impact requires further adoption of renewable energy. Kyocera supports sustainable solutions including solar cells with long-term reliability, storage batteries, fuel cells, and innovative energy management systems.



Medical and Healthcare

Cutting-edge R&D to improve medical care and enhance quality of life (QOL)

In addition to developing medical products that restore lost function, such as orthopedic joint replacement systems and dental implants, Kyocera's R&D aims to create unique new devices that make good health easier to maintain. A total medical solution extends healthy lifespans and contributes to higher quality of life.

An abstract geometric background on the left side of the page, composed of many overlapping triangles in various shades of red, orange, yellow, and blue. A large, white, stylized number '2' is centered within the upper portion of this background.

2

About Kyocera

1.Today's Kyocera in numbers	P.09
2.History of our growth	P.10
3.Future technologies born from the Kyocera Philosophy 1	P.11
4.Future technologies born from the Kyocera Philosophy 2	P.12

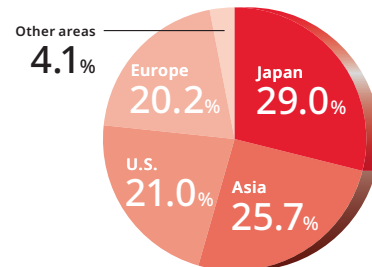
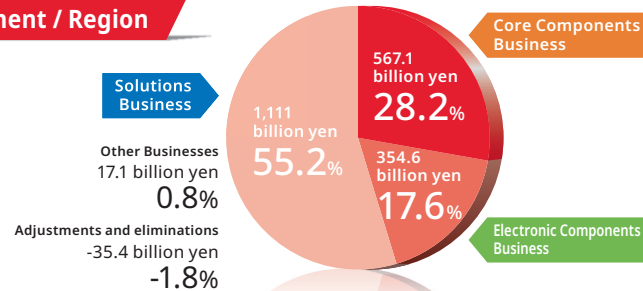
At a Glance – Current State of the Kyocera Group

We objectively introduce the present situation of the Kyocera Group using various data and figures.

Sales Ratio by Reporting Segment / Region

Fiscal year ending March 2025
Sales

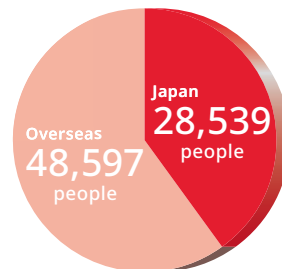
2,014.5
billion yen



Number of employees in the Group¹

Number of employees in the Group

77,136
people



Pre-tax profit



63.6 billion yen

Earnings per share



17.1 yen

Ratio of Male/Female Employees Taking Childcare Leave^{2,3}



34.2%



100%

63.8% Acquisition rate including the utilization of the internal system (accumulated annual leave)

Ratio of Outside Directors^{2,6}



4 / 11 persons **36%**

Ratio of Female Directors^{2,6}



2 / 11 persons **18%**

Ratio of Female Managers²



180 / 3,092 persons **5.8%**

Scope 1, 2⁴ Total volume reduction rate (compared to FY2020)



14%

Scope 1, 2, 3⁵ Total volume reduction rate (compared to FY2020)



26%

Grow with the times as a company and move into the next era

History of growth of Kyocera, a company that has been achieving significant growth since its foundation by growing its businesses and expanding its business fields with the changing times.

1959 Founded as Kyoto Ceramic Co., Ltd.	1984 Daini-Denden Kikaku Co., Ltd. (now KDDI Corp.) was established	2000 Mita Corp. joined the Kyocera Group	2020 AVX Corporation (now KYOCERA AVX Components Corp.) became a wholly owned subsidiary of Kyocera Corporation
1969 Kyocera International, Inc., Kyocera's U.S. subsidiary, was established	1989 Elco Group joined the Kyocera Group	2003 •Kinseki, Ltd. became a wholly owned subsidiary of Kyocera Corporation •Kyocera SLC Technologies Corp. was established	2021 Sora Laser Diode, Inc., a U.S. company, joined the Kyocera Group

>1960 >1970 >1980 >1990 >2000 >2010 >2020

1971

A joint venture (now KYOCERA Europe GmbH) was established in Germany with Feldmühle AG

1975

Japan Solar Energy Corp. was established to develop solar cells

1979

Invested capital in Cybernet Electronics Corp.

1990

The AVX Group joined the Kyocera Group

1995

Kyocera Communication Systems Co., Ltd. was established

1999

The mobile phone business was acquired from Qualcomm, a U.S. company

2010

The TFT liquid crystal display business was acquired from Sony Mobile Display Corporation's Yasu office

2011

KYOCERA Vietnam Management Company Limited was established in Vietnam

2018

The power tools business of Ryobi Limited was acquired and Kyocera Industrial Tools Corp. was established.

Changes in sales



Application of the technologies to other fields

Diversification of businesses
Expansion of business fields through M&As

Business expansion in the global market

Creation of added value /
Establishment of new business models

Working in harmony with nature to solve problems facing society

Developing environmentally friendly printers since the 1980s

Having developed and sold printers since the 1980s, Kyocera has always sought to develop unique printer technologies with a focus on environmental performance. Along with significantly reducing the need to replace components and purchase consumables by prolonging product life, Kyocera established the ECOSYS concept, a technological development concept that provides attractive economic benefits to customers. The ECOSYS printer was introduced to the market in 1992. The first in the office device industry in Japan to be certified by the Eco Mark system, the ECOSYS printer has gone on to gain recognition by a number of international environmental standards certification organizations such as Blue Angel in Germany, Energy 2000 in Switzerland, and Energy Star in the United States, and has been highly regarded around the world as an outstanding eco-friendly printer.



Further progress in environmental performance FOREARTH – Contributing to the reduction of industrial waste water, CO₂ emissions, and large disposal issues

It has been about 30 years since the development of the ECOSYS printer, and the emphasis on environmental protection in Kyocera's philosophy has been passed down for the realization of a sustainable future. This is seen in the expansion of Kyocera's technological development to industrial printing, which enables printing on material other than paper. The primary example of this is the FOREARTH inkjet textile printer. Steaming and cleaning equipment required by conventional textile printing uses a large amount of water; but this has become unnecessary as FOREARTH requires almost zero water while it reduces CO₂ emissions. Large-size equipment is unnecessary; therefore, it can be installed in any location, and it supports optimized production volumes and manufacturing settings, significantly reducing the need for disposal due to the excessive production.



FOREARTH[※]

Expanding the potential of creativity and contributing to the creation of new value in the apparel industry

The pigment ink, pre-treatment liquid and finishing agent uniquely developed in-house made it possible to print on diverse fabrics ranging from cotton, silk, and polyester to nylon and blended fabrics without replacing ink for each type of cloth. The high-performance inkjet head unit can maintain the softness of the individual cloth. In addition, digital textile printing freed from the limitations of plates allows diverse designs with high color development and high-definition. It responds to a broad range of categories such as ladieswear, sportswear, childrenswear, and home textiles, and expands the potential for creativity and the creation of new value in the textile and apparel industry.



A Voice that Admires the FOREARTH Concept

Potential for new expression developed by FOREARTH, and future manufacturing leading the way to the 22nd century

It was natural to use a large amount of water for printing to produce clothes; however, I was impressed to see that FOREARTH makes it possible to produce delicate and vivid printing with almost no water and without losing texture, retaining the natural elasticity that each material originally has. New technology is necessary for progress in the fashion and creation industries. FOREARTH enables creative designers to express things that were once impossible, and we feel that passing down such technology to the future, the 22nd century, is of the utmost importance for the future of manufacturing.



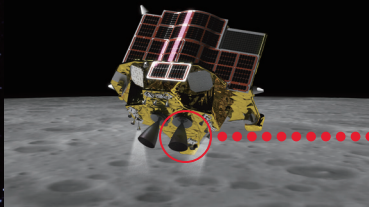
Founder and Designer of ANREALAGE
Kunihiko Morinaga

Founder of the fashion brand ANREALAGE, Kunihiko Morinaga has participated in many global events, including 11 consecutive years at Paris Fashion Week*. He is one of Japan's premier fashion designers. He has also been involved in many collaborations with Kyocera. During Paris Fashion Week, he presented a dress made of cloth printed by FOREARTH.

Paris Fashion Week is a trade mark of the Fédération de la Haute Couture et de la Mode.

※"FOREARTH" is a registered trademark or trademark of KYOCERA Corporation in Japan and other countries.

Contributing to the space industry with our proprietary Fine Ceramics technologies to open the way for the next generation



© Japan Aerospace Exploration Agency

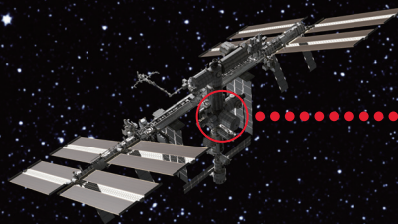
Contributed to the successful landing of a Smart Lander for Investigating Moon (SLIM) on the moon

SLIM (Smart Lander for Investigating Moon) is a project that uses a small-scale probe to verify the pinpoint landing technology necessary for future lunar exploration. In the SLIM project, Kyocera's ceramic combustor was adopted in the ceramic thruster, one of the main components of the main engine of the SLIM lander. Ceramic thrusters are used to control the orbit of probes and their speed when they land on the moon. Kyocera's ceramic technologies have improved its heat resistance and performance.



© Mitsubishi Heavy Industries, Ltd.

Ceramic combustor



Supporting space communications! Kyocera's Fine Cordierite® mirror became the first cordierite mirror in the world to be installed on the International Space Station¹

As it is necessary for optical mirrors needed to transmit data from satellites to specific ground stations by optical communication to adjust the light at nano-level accuracy, optical mirrors with a long-term stable dimensional accuracy and low thermal expansion coefficient that minimizes deformation caused by changes in temperature even in a harsh space environment are required. Then, Kyocera's Fine Cordierite mirror was adopted. It was recognized for its low thermal expansion coefficient and long-term stable dimensional accuracy and was adopted in the optical communication antenna.

Note 1: The first cordierite mirror to be adopted in the small optical communication experimental device installed on the ISS (according to the survey conducted by Kyocera in 2024)

*Fine Cordierite® is a trademark of Kyocera Corporation.



Fine Cordierite mirror

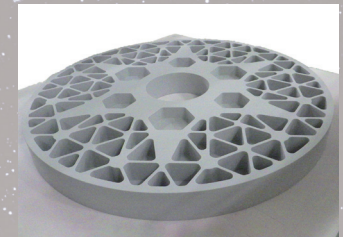


Araki Telescope owned by Kyoto Sangyo University

Aiming to develop the world's first² terrestrial telescope

Kyocera has signed a comprehensive agreement with Kyoto Sangyo University and Photocross Co., Ltd. to realize the world's first reflecting telescope equipped with large, lightweight Fine Cordierite mirrors and develop ceramic reflective optical systems for infrared astronomical observation instruments. Research using Kyocera's Fine Cordierite materials is being conducted in the Koyama Astronomical Observatory of Kyoto Sangyo University to develop infrared observation instruments to be installed on next-generation large terrestrial telescopes (larger than 30 meters in diameter) and space telescopes.

Note 2: As cordierite primary and secondary mirrors installed on the large terrestrial telescope (as of the end of July 2024, according to the survey conducted by Kyocera)



Fine Cordierite primary mirror



3

Toward the Growth of Kyocera

1. President's Message

P.14

President's Message

The Kyocera Philosophy is the driving force
behind our company's growth
Our goal is to increase corporate value
through the development of technologies
that contribute to the resolution
of issues critical to society.

President and
Representative Director

H. Tanimoto



President's Message

Business Forecast

Aiming to improve profitability through the reorganization of businesses facing challenges

In the fiscal year ending March 2025, we reported disappointing results. While we saw a slight increase in sales, we experienced a significant decrease in profit. About 80% of this decrease was in the organic packaging business for semiconductor-related components and at KYOCERA AVX (KAVX; See P.37- 38 for details), our electronic components subsidiary in the United States. In the organic packaging business, we committed large-scale investments to increase production of organic packages for general-purpose data centers, which we had planned in response to growing demand. However, we were forced to record an impairment as demand shifted to AI data centers. In addition, KAVX recorded a loss due to a decline in the utilization rate at a new plant caused by sluggish market conditions, which were especially evident in the European automotive market.

In the fiscal year ending March 2026, we recognize that returning these two businesses to a recovery trend is a top priority. In the organic packaging business, in addition to a decrease in depreciation and amortization expenses due to losses, we believe that we are on track for a return to profitability as we have seen a recovery in demand in some areas. Since last year, we have been dispatching engineers from the Electronic Components Division to KAVX production bases outside Japan to rebuild the business, and we have recorded profitable months already. We believe that both of these businesses will be able to reach break-even on a full-year basis this fiscal year.

Business Strategy

A year of structural reformation

Moving forward, we have made the return to profitability a priority issue, and we have positioned this fiscal year as the timeframe for structural reforms in business and capital strategies. We believe that while a recovery to double-digit profit margins within this fiscal year is challenging, we are committed to steering a course toward steady recovery, focusing on profit margins even if sales decline due to structural reforms over the next 1 to 2 years. Since our current businesses are highly diverse, we believe some will fare better if transferred to strategic partners. As announced in May of this year, we have decided to transfer the silicon diode and power semiconductor business. In July of this year, we also began considering other strategic options, including the transfer of Southern Carlson, a U.S.

distributor of construction materials and tools. We are planning a review of businesses encompassing approximately 200 billion yen in annual sales during the current fiscal year.

While consolidated sales will likely decrease as a particular business is transferred, our first priority is to focus on structural reform to secure profits; then, we will concentrate management resources on strategic themes, including high-profit businesses that leverage the strengths of ceramics. Specifically, in the semiconductor-related business, because large quantities of ceramic components are being used for fine wiring in semiconductor manufacturing equipment, profits in this business are expected to increase. In addition, as packages for AI become dimensionally larger, we have received requests from semiconductor manufacturers for the development of ceramic components to be used as core materials to suppress warping, as well as ceramic capacitors to be integrated into substrates. In response to these requests, we are currently working on joint development, and we believe that our unique technologies will make important contributions to these cutting-edge fields.

In the Solutions Segment, we will expand businesses that create social value and address societal-level challenges. As a recent example, we are rolling out the "FOREARTH" textile inkjet printer (see P.11) on the global market. FOREARTH shortens the supply chain for textile printing and reduces wastewater to nearly zero, thus mitigating significant wastewater issues long associated with textile and apparel industries. We are also focusing on creating new power-generation businesses that combine solar cells, storage batteries, and SOFCs (solid oxide fuel cells) to accelerate the use of renewable energy in Japan.

Strategic Business Transformation Project

Launch of the Strategic Business Transformation Project with a bird's eye view

While steadily advancing the structural reforms I just mentioned, we are also pursuing reforms to strengthen profitability with the aim of further growth for the next fiscal year and beyond.

One such reform is a review of R&D investment. We have been conducting research and development in a wide range of business areas. Some R&D has expanded without successful commercialization. While we will not drastically reduce our total R&D investment, we will focus on our resources by specializing in areas that leverage our strengths. In April of this year, in addition to Chairman Yamaguchi and myself, three internal directors and one outside director, as well as a consulting firm, participated in launching the Strategic Business Transformation Project. This will improve corporate value with a focus on business strategy.

President's Message

The spirit of independence nurtured through our departmental profitability system increases the independence and competitiveness of each department, and this has driven the overall growth of the company. However, there are cases where optimization was achieved unevenly, or limited to individual departments. The Kyocera Philosophy teaches us to "never give up until we succeed," a principle that makes it difficult for us to stop what we are working on in the middle of a project. However, if you look at the company as a whole, there are clearly businesses that should be reviewed and discontinued. If we do not take a bird's-eye view of the entire company and strive for overall optimization for future growth, we can't fully respond to the coming era. With this in mind, I will stop what must be stopped. The Strategic Business Transformation Project was launched to discuss growth strategies and make these decisions.

In May 2023, we announced Kyocera's first medium-term management plan with the fiscal year ending March 2026 as the final year, but due to the rapid shift in semiconductor demand towards AI, we have deviated significantly from our plan. This fiscal year, we were planning to announce a new medium-term management plan. However, we decided to push the announcement back due to significant uncertainty in the market environment, such as the issue of reciprocal tariffs in the United States. When the situation becomes clearer, we plan to make our policy public. I believe that the plans and vision developed in the Strategic Business Transformation Project will be highly effective.

Corporate Governance

Strengthening the supervisory system

The key to improving corporate value is not limited to the promotion of business strategy. Strengthening corporate governance is also crucial.

In addition to the decision-making function of management, the board of directors plays a role in supervising the appropriateness and efficiency of business execution. Currently, however, while the chairman, president, and CFO are involved in both execution and supervision, in some cases, directors in charge of business segments must focus on executive work, making it necessary to enhance the supervisory function. Further, important projects need to be approved by the board of directors, so balancing the speed of management decision-making can also be an issue.

In addition, outside directors have expressed that the board of directors should pursue discussions on medium- to long-term vision and management strategies rather than individual business execution.

In light of this situation, the board of directors will fulfill the supervisory functions required by the board of directors. Meanwhile, in the medium to long term, in order to provide a place where we can actively discuss management issues and the company's strategic direction, we believe it is necessary to constantly review structure and management methods, and to strengthen the governance system to ensure that it combines transparency, fairness, and agility. In addition, the importance of cybersecurity is rising with the advancement of DX. Currently, Kyocera's main system is functioning normally, but there is room for improvement for the Group as a whole. We recognize that the board of directors must strive to ensure that the entire Group has a full understanding of cyber security to strengthen the system in the future.

Employee Satisfaction for Maximum Performance

Enhancing employee engagement and job satisfaction at factories

Improving employee engagement is also an important theme for the next stage of growth. Kyocera has steadily worked on employee education, specifically on deepening employee understanding of the Kyocera Philosophy. We have also emphasized education for engineers in various specialties. Our employee education is, therefore, well organized.

From now on, we need to place more effort on developing education for employees at factories. There are many manual procedures, and engineers are proud of their specialization, as any technical professional would be. Now, with the rapid advancement of automation, it is important to provide effective forms of training and education that boost employee motivation. We are currently brainstorming on these methods. Although many other manufacturers strive to make factories wholly owned subsidiaries, Kyocera has treated each employee as an irre-



President's Message

placeable partner in management since our founding and we firmly believe that the company's effectiveness depends on all employees. For this reason, employees at factories are treated the same as employees at the head office. I myself started in a Kyocera factory and I can thoroughly understand the thoughts, enthusiasm and circumstances of our employees who work on the shop floor. In order for all employees to feel satisfaction at work, it is important for the company not only to ensure that employees truly feel that they are valued, but also to provide an environment in which everyone can exert their capabilities to the fullest extent. Being able to adapt to changes through the unified cooperation of on-site employees and management is a major strength of Kyocera.

Factories also face another significant issue, which is securing sufficient labor. As Japan's population decreases, the aging of factory employees and difficulty in recruiting new candidates interested in working night shifts have become serious issues. If we do not resolve our increasing labor shortage now, manufacturing in Japan will become difficult in the near future.

While this cannot be fixed overnight, the smart factory concept is an important approach to balancing labor demand with supply. However, as smart factories reduce the overall demand for labor, the employees that staff them will require more specialized knowledge. With this requirement comes the opportunity for employees to learn and grow as they work with confidence and pride. The Nagasaki Isahaya Plant, scheduled to open in 2026, will be Kyocera's first factory based on a smart factory design. I look forward to this new plant opening the door to Kyocera's future.

Management Philosophy: Understanding and Practice

The driving force empowered by the Kyocera Philosophy

We have expanded our business areas with fine ceramic technology as our core business and have grown into a global company with sales of two trillion yen. I think there were various factors that led to this growth, including the accumulation of technology and the diversification of our business; but I believe that the Kyocera Philosophy was the foundation. Concepts like "keep an altruistic mind" and "strive harder than anyone else" have led to the improvement of our company's business performance. It is precisely because of this mindset that Kyocera has been able to create and grow technologies, products, and services that are valued by society. If the Kyocera Philosophy is forgotten, Kyocera will cease to be Kyocera.

Now is the time for us to allow the Kyocera Philosophy to serve as the driving force as we move to the next stage of growth, growth that is unique to Kyocera. The spirit of the Kyocera Philosophy that our founder Kazuo Inamori cherished can be practiced in keeping with

the times. Essential concepts, such as having an "altruistic mind," have not changed over time. On the other hand, the action-based concept to "strive harder than anyone else" should be interpreted not as working "longer" than anyone else, but rather, working smarter and focusing on the creation of added value.

Vision

Aiming to be a company where employee growth and corporate growth go hand in hand

I also practice the Kyocera Philosophy and have learned from it extensively. When I was about 30 years old, I was put in charge of a project. From start to finish, for four or five years, it was a serious challenge that really tested me. The project advanced with the help of the people around us and the support of our customers; and because of this support, we managed to achieve success. That was when I really experienced the importance of "do our best of our colleagues" and "accumulate tedious effort," two key principles of our Kyocera Philosophy.

The concepts of "altruism" and "serving others" are especially helpful in times of crisis. I had always tried to exhibit these principles in my work, and I think this explains why others came to my rescue when I desperately needed their help. This is what the Kyocera Philosophy refers to as the "extended family principle," and deepening my understanding of this through experience allowed me to practice it at an even higher level.

Inamori always said "elevate your character." He must have wanted to hone his humanity through the Kyocera Philosophy, building a company with a large family of employees who developed deep and lasting respect for one another, while winning the respect of the world around them. The importance of valuing coworkers and the extended-family principle that I just mentioned are based on relationships of trust and respect for others. I believe that everyone in the company needs to enjoy relationships with their fellow employees that allow them to achieve their full potential, and that we must make Kyocera a company that can properly nurture people in such an environment.

Dr. Inamori told me that he wanted to make Kyocera a wonderful company with exceptional employees, leading-edge technology, impressive performance, and outstanding corporate character. When you mentioned Kyocera, the first thing he wanted to come to people's mind was "The Company."

Kyocera is a company where the growth of each employee and the growth of the company go hand in hand, and we must continue to ensure that it remains this way.

President's Message

To Our Stakeholders

Implementing management reforms to improve corporate value without delay

As I mentioned earlier, our company operates with the Kyocera Philosophy as its driving force. There was a long period when the prevailing thinking was that a company with strong equity base was the mark of a good company. Now, however, we have entered an era in which high capital efficiency is considered the sign of a good company. There are some areas in which we have not been successful in fully responding to this change in the times.

However, if capital efficiency is now prioritized, it is only natural that we will adapt to meet the challenge. Take the KDDI shares that Kyocera holds as an example. The situations between now and 1984, when Inamori founded Daini Denden (currently KDDI Corporation), are completely different. There is no reason for us to continue to hold shares in KDDI, which have become much more valuable than ours. Therefore, we decided to make effective use of these assets. Furthermore, in regard to our “price-to-book ratio” (PBR), it should not be below 1x forever. Rather than aiming for an increase in stock prices per share, we intend to implement management reforms as soon as possible with the aim of increasing corporate value so PBR exceeds 1x while firmly increasing our earning power.

And in promoting these management reforms, I strongly believe companies that fail to provide solutions to customer problems cannot survive. In a society that has become highly information-oriented and in which AI has become ubiquitous, it is especially important to differentiate ourselves from competitors. Whether the differentiation is a technology or service, we must build strong business partnerships and provide solutions to customer problems.

Furthermore, we must look not only at our customers' issues, but also the issues facing society as a whole. I want Kyocera to be a company that creates societal value and contributes to solving these problems. In doing useful work for others, Kyocera must demonstrate our value as a company that contributes to a better future. Having such a good corporate vision is the way to meet expectations and ensure the continuing trust of all stakeholders — our employees, shareholders and investors, business partners, and local communities.

We keep striving to become the most ideal company as we “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 want to make people glad that Kyocera exists. I deeply appreciate your continuing support.



**A company where employee growth
and the company's growth go hand in hand
Kyocera is committed to achieving this.**

An abstract geometric background on the left side of the page, composed of many overlapping triangles in various shades of red, orange, yellow, and blue. A large, light-colored number '4' is prominently displayed in the upper left quadrant of this background.

4

The value we create

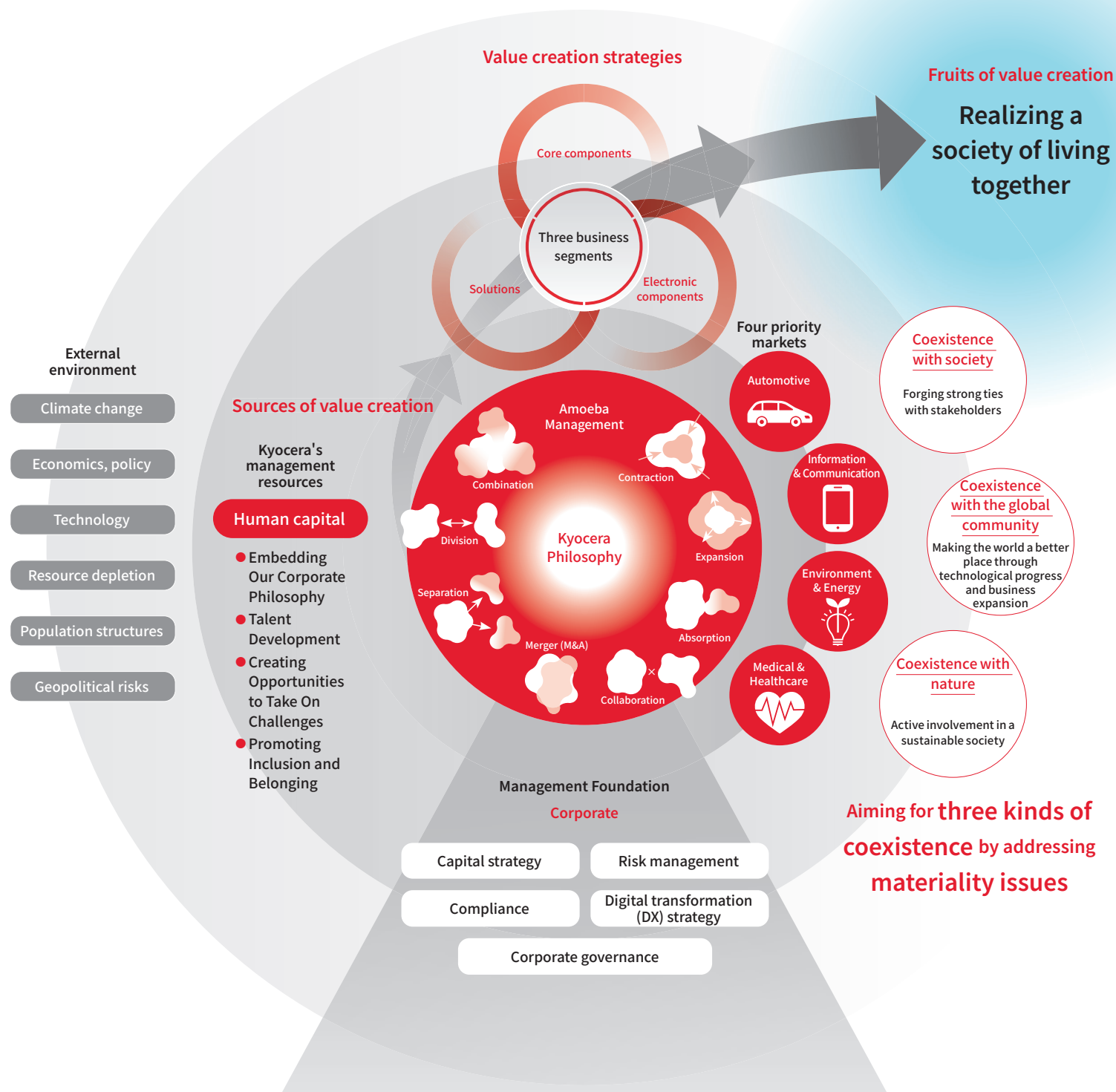
1.Value creation stories	P.20
2.About materiality	P.21
3.Message from the Senior Executive Vice President of Headquarters	P.24

4-1

The value we create

Value creation stories

Kyocera's Value Creation is grounded in the **Kyocera Philosophy** and the **Amoeba Management** system based on it. We have continually created new value through our most important management resource of human capital—that is, each and every one of our employees—adapting to changing environments by acting based on a manager's consciousness and right thinking. Even in today's increasingly uncertain world, we will blaze a path to a sustainable future through coexistence among society, the global community, and nature, as our three business segments and the corporate group collaborate toward solutions to society's challenges.



4-2

The value we create About materiality

We recognize the essential need to accurately identify and prioritize the materiality issues that we face, while responding appropriately to social and environmental changes, in order to create value continuously while fulfilling our corporate social responsibility based on the 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.”

The Kyocera Group will strive toward solutions to the materiality issues identified based on their social and economic importance in light of social conditions, global trends, external environmental changes, and stakeholder dialogue.

Materiality identification process

Materiality issues are identified in light of contemporary social topics along three axes of living together

The Kyocera Group's business activities are based on the concept of "living together" (coexistence). Materiality issues have been identified along the following three policy axes reflecting this concept of living together in the light of contemporary social topics.

- **Coexistence with society**
Forging strong ties with stakeholders
- **Coexistence with the global community**
Making the world a better place through technological progress and business expansion
- **Coexistence with nature**
Active involvement in a sustainable society

Under this policy, we employed the Corporate Sustainability Reporting Directive (CSRD) methodology of double-materiality assessment to evaluate impacts on society and the Kyocera Group. We identified materiality issues to address from the two perspectives of how Kyocera Group businesses impact society and the financial risks and opportunities arising from our corresponding business activities.

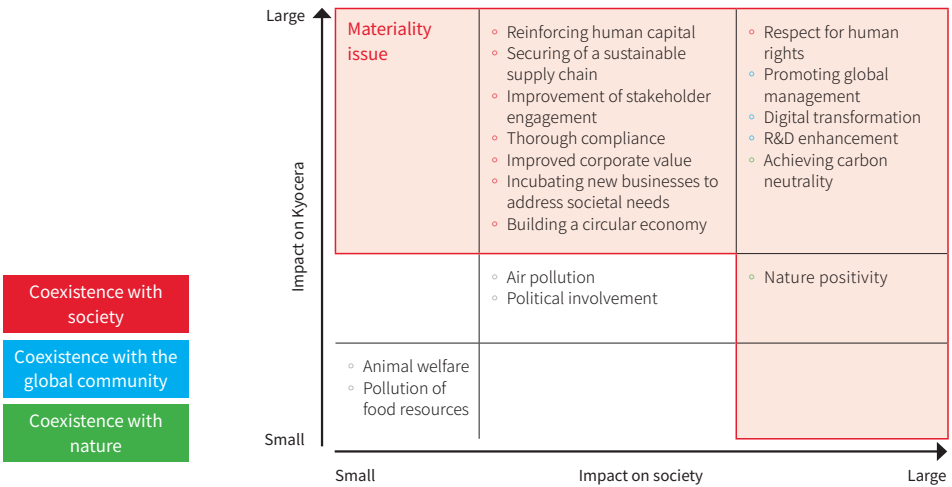
● Materiality identification process

The Kyocera Group identifies issues to stakeholders and management by reviewing the external environment, including social conditions and global trends, and exchanging opinions within the Group regarding their importance and priorities. Then, materiality topics are identified through deliberation by the Sustainability Committee and semiannual International Management Meetings, which are attended by the leaders of our global operations, and reported to the Board of Directors.



● Materiality matrix

Materiality issues identified through the above process are plotted in the following matrix along the two axes of their impacts on Kyocera and on society. Topics with significant impacts are identified as materiality issues, and these are categorized by coexistence with our society, coexistence with our global community, and coexistence with nature.



- Coexistence with society
- Coexistence with the global community
- Coexistence with nature

About materiality

Materiality issues toward Kyocera's vision of a society of harmonious coexistence

	Goals	Materiality issue	Measures and KPIs	Progress through FY2025
Coexistence with society	Harmony with humanity and society	Reinforcing human capital	<ul style="list-style-type: none"> ● Sharing Kyocera Philosophy and expanding educational opportunities ● Reskilling to take on new challenges and changes ● Enhancing support for activities of diverse human resources 	[Numbers of trainees] Introductory education for young and mid-career employees: 2,404 Leader education: 14,396 Technical training: 3,010 Education for core personnel overseas (Global Philosophy Seminars: held at five facilities): 349 Global education: 194
		Respect for human rights	<ul style="list-style-type: none"> ● Building structures for respecting human rights at Group companies ● 0% high-risk transactions on human-rights/labor topics in supply-chain surveys 	Human-rights due diligence 0% high-risk transactions on human-rights/labor topics
		Securing of a sustainable supply chain	<ul style="list-style-type: none"> ● 0% high-risk transactions on ethical topics in supply-chain surveys 	0% high-risk transactions on ethical topics
		Improvement of stakeholder engagement	<ul style="list-style-type: none"> ● Continual communication with stakeholders and strengthening relations of trust 	[Employees] Percentage responding to Workplace Vitality assessment surveys: 95.6% (subjects: 30,022 persons) Round-table discussions and Q&A with top management: 2 times [Shareholders, investors] Financial results briefings for institutional investors: 4 briefings, approx. 440 persons One-on-one meetings: approx. 350 times Company information sessions with individual investors: 1 session, approx. 590 persons [Business associates] Seminars and social gatherings with partners: 232 companies, 272 persons [Local communities] Participants in off-site classes on environment and energy: 1,700 persons Participants in sustainability briefings: 112 persons Students signed up for Fushimi Ward Kodomo Kyoiku Shokudo after-school meals: approx. 700 Meals served: approx. 16,000
		Thorough compliance	<ul style="list-style-type: none"> ● Building an anti-corruption system ● Building an integrated Groupwide system for anti-trust compliance 	Adoption of in-house anti-corruption rules by Group companies Number completing anti-corruption training: 7,991 persons (FY2025, Kyocera nonconsolidated) Preparation of a global antitrust manual and adoption of antitrust rules Number completing antitrust training: 7,874 persons (FY2024, Kyocera nonconsolidated)

About materiality

Materiality issues toward Kyocera's vision of a society of harmonious coexistence

Coexistence with the global community	Contributions to globalized society and economies	Improved corporate value	<ul style="list-style-type: none"> Establishment of the Strategic Business Transformation Project Business portfolio reforms focused on profitability 	—
		Digital transformation	<ul style="list-style-type: none"> Digital manufacturing reforms Digital business reforms Establishment of IT governance 	Advancing systems related to manufacturing, through means such as adoption of product lifecycle management (PLM) and deployment of a common production management system Promoting business reforms through sales-process improvement and standardization using customer relationship management (CRM) Preparing to survey Group companies toward establishment of IT governance in FY2026
		Promoting global management	<ul style="list-style-type: none"> Promoting Global Philosophy education Reinforcing Group corporate governance Promoting risk-management processes 	Beginning study of management system integration Identifying and addressing corporate risks in the Risk Management Committee
		R&D enhancement	<ul style="list-style-type: none"> Concentrating resources on core domains Use of corporate venture capital 	Year ended March 2025: 116.1 billion yen in R&D expenses (up 11.3% YoY)
		Incubating new businesses to address societal needs	<ul style="list-style-type: none"> New business creation (five themes) 	Introduction of textile inkjet printers and Kyocera Robotics Service
Coexistence with nature	For a beautiful planet for the future	Achieving carbon neutrality	<ul style="list-style-type: none"> Scopes 1, 2: 46% reduction by FY2031 (vs. FY2020) (1.5° C level) Scopes 1, 2, 3: 46% reduction by FY2031 (vs. FY2020) (1.5° C level) Renewable energy adoption: 20-fold increase by FY2031 (vs. FY2014) *New target set after previous target reached Carbon neutrality by FY2051 60% of energy from renewables in FY2031 	Scopes 1, 2: 14% reduction Scopes 1, 2, 3: 26% reduction Renewable energy adoption: 21.5-fold increase (long-term environmental target of 20-fold increase achieved)
		Building a circular economy	<ul style="list-style-type: none"> PCR material reused for multifunction product (MFP) and printer enclosures and toner containers: 5% or more 100% recycling of PET wastes (discontinuing thermal recycling) PET film and ceramic raw materials loss minimization 	Recycled material content: 8.9% in 2024 Launching technology survey Launching study of recycling in cooperation with other industries
		Nature positivity	<ul style="list-style-type: none"> Creating new businesses able to contribute to biodiversity 	Efforts to develop plant cultivation and breeding technologies using light wavelength control technologies

4-3

The value we create

Message from the Senior Executive Vice President of Headquarters

Through its role of making strategic decisions from a Group-wide perspective across multiple businesses and building appropriate systems to address any issues, Kyocera's Corporate Functions support management team, with specialized insights from and a bird's-eye view across a wide range of domains, including finance, human capital, intellectual property, risk management, and sustainability. Guided by the Kyocera Philosophy and its central principle to “Do what is right as a human being,” we are building a strong foundation to support our value-creation narrative and realize a society of harmonious coexistence by making decisions based on overall optimization, even when diverse interests intersect.



Hiroaki Chida

Director, Managing Executive Officer, CFO
Senior Executive Vice President of Headquarters

Implementing corporate transformation with value only Kyocera can create

Bringing out the potential of the Kyocera Group's managerial resources to the fullest

Structural reforms to increase corporate value

Efforts reflecting an awareness that what we do this year will decide the next decade

● Link structural reforms to value creation

Today, Kyocera is in the midst of unprecedented structural reforms. Considering the year ending March 2026 to be a pivotal year to execute structural reforms in both business and capital strategies, we have launched the Strategic Business Transformation Project aimed at increasing corporate value. The Corporate Functions are resolved to lead the Kyocera Group toward a new future through decisive reforms to rebuild our management foundation with addressing materiality issues at the center. With a sense of urgency that comes from recognizing that what we implement during this first year of reforms will decide our direction for the next decade, we will evolve corporate functions to realize a consistent value-creation narrative based on the perspective of overall optimization.

● A new version of Amoeba Management with the addition of capital efficiency improvement

As we have practiced Amoeba Management over the years, the Kyocera Group's culture is rooted in the profit/loss statement. A source of our competitive strength is the management of profitability in small organizational units. This has supported swift, autonomous decision-making in the workplace. At the same time, as our business has grown in scale, it has become increasingly necessary to ascertain the validity of large-scale investments and M&A. This is why the Group is advancing reforms to shift toward management decisions based not only on the profit/loss statement, but also on capital efficiency. While maintaining the strengths of the

Amoeba Management, with clear financial discipline, we will simultaneously pursue management from a companywide perspective to strengthen our ability to generate free cash flow and build systems for strict assessment of returns on investment through KPIs such as return on equity (ROE) and return on invested capital (ROIC). Through these means, we will aim to maximize value creation while allocating limited capital strategically.

Reinforcing management foundations based on human capital

Supporting profitability improvements through human capital reinforcements and reorganization

● Maximizing the value of human capital, our most important resource

Surely, throughout the years, the starting point of the Kyocera Group's value-creation narrative is our human capital. The materiality issues include “reinforcing human capital” as a priority issue in coexistence with society. The Corporate Functions lead efforts to achieve this aim.

Through the Strategic Business Transformation Project, we are moving forward with efforts to identify the potential profitability and future potential of every business segment and product line and make core businesses clear, while developing plans for reallocation of human resources to core businesses for which there is growth potential. The Corporate Functions need to take the lead in executing these allocation plans and building systems for strategically adjusting staffing, including hiring.

● Optimization of back-office sections across the organization

While promoting structural reforms that include business portfolio revisions, we also recognize the pressing need to reduce associated back-office expenses. In the year ended March 2025, the Shiga Higashiomi Plant and the Yokohama Office each consolidated their sites and integrated back-office functions. We will continue to accelerate concentration and consolidation of operations at each facility to optimize back-office divisions from the perspective of overall optimization.

We will also increase both efficiency and added value by actively using digital transformation (DX) and enterprise resource planning (ERP) systems, the latter of which is under consideration for company-wide adoption, to revise business operations by identifying which tasks should be discontinued and which should be strengthened.

● Further promoting understanding of the Kyocera Philosophy

We will further promote understanding of the Kyocera Philosophy, the basis for every employee's perspective and action, as the foundation for reinforcing human capital. As changing generations mean changing work styles, it seems that some of the words of our founder are becoming difficult to understand for younger generations. In response, we are promoting revisions to the Philosophy awareness-raising programs for individual generations.

Moving forward, we plan to increase the number of site visits by management, both in Japan and around the world. We will aim to promote reforms through fostering understanding and organizational unity by deepening dialogue with employees on subjects such as Kyocera's direction for the future.

Message from the Senior Executive Vice President of Headquarters

Toward the evolution of corporate functions

Moving away from a “brake” role to support business strategy with upstream processes

● Capital-efficiency perspectives in R&D investment

To achieve harmonious coexistence with the global community through contributions to a globalized society and economies, we invest more than 100 billion yen a year in R&D expenses. This is an important corporate strength, but not all themes would lead to future business earnings. We will proceed with selection and concentration of domains that promise to be more effective by carefully ascertaining return on investment from the planning stage, considering the kind of return we can expect, how long it will take to recover investment, and how it will contribute to corporate value.

● Securing competitive advantage through IP strategy

We are striving to enhance our IP strategy to contribute to the global community through technological progress and business growth. Our legal and intellectual property (IP) sections use AI for more efficient patent application and registration processes, translation, and analysis of patent data. They are also enhancing cooperation with business divisions to promote efforts to protect and utilize our technologies and competitive advantages as IP.

● Feed-forward support structure

We aim to evolve from a traditional support structure that plays a “brake” role, centered on checking after the fact, to one that plays a feed-forward role by proposing proactive measures through involvement in the initial stages of planning and decision-making. In addition to a financial perspective, which is a strength of the Corporate Functions, we will strengthen initiatives to provide proactive support for each business division through means such as advising on IP and sustainable management.

Promotion of sustainable management

Solidifying the grounding for reforms through strengthening our ability to respond to the environment and risks

● Efforts to increase social value

We consider the achievement of carbon neutrality and building a circular economy to be particularly important management topics for achieving harmonious coexistence with nature. Today, we are promoting environmental initiatives in conjunction with business activities through the coordination of Groupwide efforts toward the medium-term targets of reducing Scope 1 and 2 emissions by 46% and using 60% renewable energy by FY2030.

We are also enhancing the Groupwide governance structures on topics related to coexistence with society, including respect for human rights and ensuring a sustainable supply chain.

● Reinforcing corporate governance globally

To respond swiftly and flexibly to risks and compliance issues in global business, we are migrating to a structure of autonomous management reflecting the actual circumstances in each country and region. As part of these efforts, we have established regional coordination companies to strengthen local decision-making and clarify responsibilities as we build a system for cross-functional oversight of overseas affiliates. To be able to ascertain the roots of improprieties and operational bottlenecks at an early stage by emphasizing an approach of stopping risks before they take shape instead of waiting to respond to problems once they occur, we are strengthening systems for gathering information from the field and responding across the organization through collaboration with specialized sections such as those in finance, legal/IP, and HR domains.

Financial strategy to support continuous growth

Promoting further optimization of the capital structure while maintaining our strength of financial stability

● Reduction of cross-shareholdings and strategic capital allocation

As one thorough revision to capital strategies, we are promoting the reduction of cross-shareholdings (targeting a level of less than 20% of net assets). Funds earned from the sale of cross-shareholdings will be used to optimize the capital structure and increase corporate value by using them to invest in growth for higher profitability and to provide returns to shareholders. Through these initiatives, we will aim to achieve the current management team's responsibility to ensure results in a short time frame while focusing on the speed of execution.

In the year ending March 2026, we plan to spend approximately 180 billion yen on capital expenditure and approximately 120 billion yen on R&D expenses, while also paying dividends of approximately 70 billion yen and repurchasing up to 200 billion yen in shares of our stock—all funded by cash flow from operating activities and proceeds from the sale of cross-shareholdings. Even in such a time of structural reforms, our policy is to maintain a high level of shareholder returns through means such as planned share repurchases (including repurchase of up to 200 billion yen in shares in the year ending March 2026 as well as repurchase of an additional 200 billion yen in our shares over the three years from the year ending March 2027) and stable dividends. Through capital allocation with consideration for balancing capital between business growth and shareholder returns, we plan to improve ROE continually.

Capital allocation in the year ending March 2026
(As announced in May 2025)

Cash inflow	Expenditures
Cash flow from operating activities (before deducting R&D expenses) Approx. 320 billion yen	Capital expenditures Approx. 180 billion yen
	R&D expenses Approx. 120 billion yen
	Dividends Approx. 70 billion yen
Proceeds from the sale of cross-shareholdings Approx. 250 billion yen	Share repurchases Up to 200 billion yen

Conclusion

As we strive to achieve our value creation narrative, the Corporate Functions are tasked with studying optimal business structures across the Group and building the basis for balancing both economic and social value. With a strong commitment to reforming the organization to provide value to all stakeholders, both internal and external, we will build the foundations for sustained corporate growth and achievement of a society of harmonious coexistence.



5

The Most Important Management Resource

1.Kyocera Group Human Capital	P.27
2.Fulfillment of Human Capital – Dissemination of the philosophy	P.28
3.Fulfillment of Human Capital – Capability Development	P.29
4.Fulfillment of Human Capital – Creating challenging opportunities	P.30
5.Fulfillment of Human Capital – Promotion of Inclusion and Belonging	P.31

5-1

The Most Important Management Resource

Kyocera Group Human Capital

The foundation of the Kyocera Group lies in the Kyocera Philosophy, particularly the concept of prioritizing people and their mindset as the most valuable of the Group's management resources. Human potential is infinite, and the mindset of the individual is what fuels the drive to seek out challenges. Maximizing the capabilities of each employee leads to growth, satisfaction with work and life, and the creation of added value.

Human capital concept

Aiming for growth in both individual employees and the Group through capability development and management by all

The Kyocera Group aims to achieve its management rational - "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." From the beginning, Kyocera has sought to achieve these goals by operating businesses under its unique Amoeba Management system, which encourages all employees to participate in management. The Kyocera Group strives to create an environment in which all employees can maximize their capabilities and approach their work with a sense of ownership. The Amoeba Management system encourages each employee to be responsible for achieving the management targets of their division, and continually expand their potential through their efforts.

Our "Management by All" approach in the Kyocera Philosophy calls upon every employee to carefully consider what the right thing to do is as a compass for work and decision-making. Kyocera firmly believes that doing what is right while maximizing individual capabilities based on the Kyocera Philosophy - "The Result of Our Life or Work = Attitude × Effort × Ability" - leads to the creation of work that encourages employees through higher initiative and enthusiasm, and provides job satisfaction and employee fulfillment.

The Group strives to share the Kyocera Philosophy throughout individual workplaces with training to enhance the understanding and practice of the ideals in our corporate culture. In addition, the Group actively provides a wide variety of training and education to promote business-related skills and nurture specialized knowledge.

The Kyocera Group continues to improve job satisfaction and employee fulfillment as well as promote the growth of both individual employees and Group companies by ensuring an environment in which everyone is given a wide range of opportunities to gain and improve knowledge and skills in their individual and other career specializations while learning and practicing the Kyocera Philosophy.

Enhancing both employee happiness and corporate value through the optimization of systems, recruitment, and workstyles

Based on the corporate management rational, Kyocera strives to ensure a work environment that allows all employees to improve themselves. In regard to the personnel system, we prioritize the provision of opportunities to enhance job satisfaction and encourage employees to take on challenges. At the same time, we have also striven to ensure an organizational base that is not affected by changes in business conditions or corporate performance.

Through the implementation of Amoeba Management, Kyocera regularly identifies opportunities for organizational reform and leader mobility to keep pace with changes in the business environment. In order to flexibly respond to change, Kyocera has implemented an evaluation system that promotes opportunities for growth across job titles. Using a certification system based on specializations and capabilities, we have developed a framework that encourages diverse career formation. To ensure sustainable growth, our human resource recruitment strategy strives for a balance in age composition. In line with securing individuals with immediate capabilities and specializations, we also focus on the recruitment and cultivation of young employees that align with the Kyocera Philosophy. In regard to workstyles, we strive to ensure an environment that continuously facilitates implementation of the Kyocera Philosophy, "Management by All." While encouraging each employee to make decisions and act autonomously with a sense of ownership, we have placed a priority on working as a team with a unified spirit to achieve the same targets. Kyocera strives to maintain the trusting relationship it has built with employees through direct and open communication while flexibly responding to changes in workstyles depending on individual situations, including child rearing and long-term nursing care.



5-2

The Most Important Management Resource

Fulfillment of Human Capital – Dissemination of the philosophy

The dissemination of the Kyocera Philosophy, the source of the Kyocera Group's strength, is an important theme for us. The Group focuses specifically on **the cultivation of Group leaders who deeply understand the Kyocera Philosophy, and ensuring that corporate culture remains rooted in the philosophy.**

The Group established the Kyocera Group Philosophy Committee to promote dissemination. We provide Kyocera Philosophy education globally in accordance with the education policies and direction of the activities determined by the Committee.

The Group-Wide Kyocera Philosophy Promotion Structure

The Group established the Kyocera Group Philosophy Committee, led by the Chairman, in 2013 to promote the dissemination of the philosophy into each division. Kyocera Group executives join the Committee to develop education policies based on the results of past philosophy education and dissemination activities, and discuss and determine future directions and specific measures.

The Committee meets twice each year, in June and December. Philosophy Awareness Committee members report the state of the initiatives and issues in their respective areas. Measures resolved by the Committee are implemented by each member.



Kyocera Philosophy education system segmentalized by job classification and purpose to facilitate implementation

The Group provides a wide variety of Kyocera Philosophy education programs in accordance with the policies established by the Group Philosophy Committee. Having organized and updated conventional programs in 2020, we provide systematic philosophy education according to job classification and purpose. The specific content of Kyocera Philosophy that applies to individual employees may differ depending on the issues and conflicts they encounter in daily business activities; therefore, the content of programs also varies depending on job classification. However, all content is well developed to ensure that employee understanding goes beyond the superficial meaning of each area of the philosophy to a deeper comprehension and alignment with the content and its practical application. We organize programs with a focus on case studies to explore issues and responses, and to prompt discussion that deepens understanding and application.

FY2025 Philosophy Education Achievements	Participants
Introductory education (For young and mid-career employees)	2,404 persons
Leader education	1,443 persons
Management leader education	438 persons

● Management Education

Kyocera provides training to next-generation management leaders and dialogues with top management about the philosophy as opportunities to instill the mindset needed by management leaders. Management at overseas group companies are provided with education through global philosophy seminars (GPS) designed to share the Kyocera Philosophy as the common criteria.

● Cultivation of Corporate Culture

Kyocera provides newly hired employees with Kyocera Philosophy introductory education and establishes digital infrastructures that allow them to freely learn at any time afterwards. Through the provision of awards, such as for papers written on implementation of the philosophy by individual employees (My Episode), a practice that began over 30 years ago, we promote the cultivation of corporate culture rooted in the Kyocera Philosophy.

Philosophy Education Framework

		Domestic		Overseas	
		By Function	Management Leader	Common	Support for Top Management
Targets	Purposes	Promotion Activities by Each Organization		Common	Com mon
Top Management	Executive Officers	Realization and transmission of management based on the philosophy		Top Management Philosophy Study Session	Global Philosophy Seminar (GPS)
	General Managers	In charge of the realization and transmission of the philosophy		Top Management Philosophy Session (TPS)	Philosophy Platform
	Division Chiefs	Organizational implementation of the philosophy		Middle Management Philosophy Session (MPS)	Local Philosophy Seminar (LPS)
Managers	Department Chiefs	Maturing as a person through implementation, trial and error as a leader		When becoming a manager, being promoted, etc.	
	Section Chiefs	Understanding and aligning with the philosophy		Introductory education	
Young to Mid-level Employees	Mid-career Recruits/ M&A	Formulating the foundation of work attitude Formulating the sense of ethics and norms Sharing a common sense of values Improving the sense of belonging		In the third-year In the first-year When joined	

5-3

The Most Important Management Resource

Fulfillment of Human Capital – Capability Development

In order to maximize “Ability” among the “Results of Our Life or Work = Attitude × Effort × Ability,”

it is essential to gain specialized knowledge and skills directly connected to the business.

The Kyocera Group emphasizes capability development through actual work and on-site technological succession in addition to educational training focused on classes that enable both individuals and organizations to flexibly fulfill their potential, even within rapidly changing environments.

A wide variety of training programs and cultivation schemes that enable individuals to feel their growth

The Kyocera Group provides support to ensure that all employees are aware of their growth and the enhancement of their presence inside and outside the Group. We have developed training programs for individual positions and functions aiming to cultivate human resources equipped with a broad range of basic knowledge as well as advanced specialized knowledge covering all divisions, technologies, research and development, manufacturing, quality assurance, sales, and management.

● Technology and Skill Education

Kyocera strives to cultivate young engineers for the future equipped with a broad range of basic knowledge and advanced specializations in the fields of research and development, production technology, manufacturing technology, and quality assurance.

Training programs are designed to progress in a step-by-step manner, including engineer education for newly hired employees, specialized technology training for young engineers, and innovation training for mid-level employees. We support skill acquisition, from theory to practice, in a broad range of fields, including material technology and DX, with a special emphasis on the on-site utilization of knowledge about DX.



Technical Training

● Support for Career Formation

Kyocera prioritizes the cultivation of fundamental attitudes toward work and promotes a sense of unity among those who were hired at the same time through newly hired employee training. For two years after training, we provide a supportive environment where employees can work with peace of mind, supported by a mentor system and systematically designed OJT programs supervised by managers in charge of human resource cultivation. We provide annual training and interviews from the first to fourth years in the Group to promote job retention and autonomous career formation. In the Step-up System for the fourth year in particular, we promote a shift in awareness toward business reforms as we provide executives with opportunities to present results. Furthermore, we provide a wide range of programs that enable all employees to work on career formation. These include such programs as the Challenge System, designed to share targets with supervisors, and the In-House Recruitment System through which employees can choose to try new work.



Newly hired employee training

● Management Education

Kyocera provides position-based training to supervisors and organization leaders to foster the development of executives with advanced management capabilities. In addition, Kyocera provides function-based training to employees to build the business skills and knowledge necessary for each stage of career development. Through these training opportunities, employees improve their management capabilities.



Management training

● Initiatives for the Cultivation of Next-Generation Human Resources in Charge of Management

Kyocera considers the cultivation of next-generation executives in charge of management as an important issue from the mid- and long-term perspective. We are cultivating candidates for future executive positions in each business segment and have launched the Management Knowledge Education and Human Resource Assessment program, which focuses on business strategies and finances for executives selected by each business segment, to advance the systematic cultivation and assignment of human resources in charge of management.

5-4

The Most Important Management Resource

Fulfillment of Human Capital – Creating challenging opportunities

As an example of the Kyocera Philosophy's principle of **"Possess a Challenging Spirit"**, Kyocera has a history of innovation that comes from setting high targets and refusing to rest on its laurels.

This idea has been passed down to us today, and we've continuously strived for the cultivation of a corporate climate that encourages a fighting spirit with rich and creative ideas, expresses their opinions, and takes action that moves us toward the future as we nurture candidates for future top management through Kyocera's New Business Idea Start-up Program.

Promoting the cultivation of candidates for future top management and the creation of communities through new business development

In April 2025, along with the establishment of new business, Kyocera launched the S Project Promotion Department aiming to cultivate human resources with a managerial perspective. We not only create new businesses, but also focus on fostering a corporate culture that encourages all employees to accept challenges as we enhance human capital to support sustainable value creation.

● New Business Idea Start-up Program

The New Business Idea Start-up Program was initiated in December 2018 as a major measure implemented by the S Project Promotion Department to support the creation of bottom-up type new businesses. Through this program, Kyocera encourages all employees to submit ideas for new businesses. From the ideas submitted, outstanding candidates are selected in a stepwise manner through seminars and workshops. In 2025, a total of 413 ideas were submitted, and 56 employees participated in seminars. About 10 submissions will be selected for development into more detailed business visions, and market verification. And finally, we will choose employees to serve as industrialization promoters.

The goal of this program is not only to select business ideas, but also to cultivate highly motivated human resources. Through the selection process, we prioritize enthusiasm and the independence of each applicant as well as the potential productivity and feasibility of each business concept. We also take into consideration the viewpoint of social contribution and "Do the right thing as a human being" in accordance with the Kyocera Philosophy.

● The Role of the S Project Promotion Department

The S Project Promotion Department also plays a role in making this program a permanent part of corporate culture rather than a temporary activity. Ensuring an environment in which all employees are encouraged to think freely and act independently beyond the performance of their assigned work, Kyocera promotes the continuation of a corporate culture that allows all employees to exercise flexibility free from existing business frameworks, and to feel not only free, but highly inspired to take on challenges.

In seminars, we focus on the importance of making decisions and taking risks from the viewpoint of business management. We also promote interactions among participants from different divisions and occupations to establish diverse networks and in-house communities.

● Future Directions

While systemizing and continually improving the program, we focus on the enhancement of support systems following implementation.

Specifically, we establish appropriate support systems according to each employee's vision, a support system to secure funds and human resources, and a system that accelerates the expansion of scale and productivity through cooperation with business divisions and R&D division.

In addition, we also enhance the framework for promoting new ideas, leading to the improvement of corporate value based on human capital.

Case 1: "matoil" – a food allergy response service

matoil is a custom meal service designed to accommodate food allergies, launched in 2021. Originally focused on providing services for school trips, from 2024, matoil started offering services to corporate customers such as hotels and inns. While responding to various dietary preferences such as vegan and low-carb options, we aim to improve the efficiency of our operations to maintain the safety and reliability of this delivery system while continuously reflecting the most up-to-date information in the food preparation industry, including trends in available ingredients and options that various individuals prefer to avoid.



Minako Tani

S Project Promotion Division
Corporate Management Promotion Group

Case 2: Skin Care Service (Under Development)

This new service uses Kyocera's superior sensor technology to measure skin condition and propose optimal skin care. Aiming to support women's health and beauty, we are currently conducting technology verification and market research. Through prototype development, we plan to establish a service model through demonstration experiments.



Yuko Tanaka

S Project Promotion Division
Corporate Management Promotion Group

5-5

The Most Important Management Resource

Fulfillment of Human Capital – Promotion of Inclusion and Belonging

Since its foundation, the Kyocera Group has taken each step forward based on the **Extended Family Principle**, a concept that calls for employees to treat one another like family, understand one another, and work together to succeed. This concept aligns with the Kyocera Philosophy's principle of **Management Based on a Bond of Human Mind**. We believe that this leads to Inclusion and Belonging, which values diversity and mutual understanding. Respecting each employee's individuality and sense of values, and ensuring a work environment in which diverse human resources achieve satisfaction with work, we aim to fill our company with the energy and motivation to continuously seek out challenges and pursue growth.

Kyocera's vision for Inclusion and Belonging

Importance of all employees considering Inclusion and Belonging as their personal goal

Kyocera's vision for Inclusion and Belonging is not meant to treat women, individuals with physical, intellectual, and emotional challenges, people from overseas, or members of the LGBTQ community as special categories, but rather to promote the inclusion of all employees. Kyocera established the Diversity Promotion Division in 2019 with the goal of ensuring a corporate culture that allows each employee to work toward Inclusion and Belonging as a personal goal.

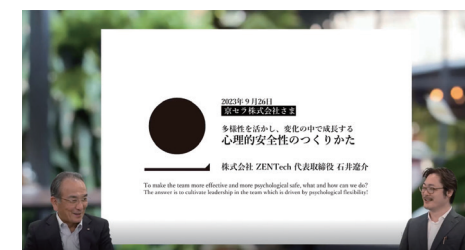
Kyocera created four major pillars for advancing Inclusion and Belonging.

① Cultivation of a corporate culture that respects diversity

The Kyocera Group respects the individuality of all employees and fully utilizes their capabilities to comprehensively increase the capabilities of the organization. Ensuring a corporate culture that respects diversity and allows everyone to engage in frank dialogue is key to the promotion of Inclusion and Belonging.

We place a special emphasis on the development of workplaces with psychological safety. In FY2023, we hosted an online presentation targeting all employees; and in FY2024, we provided e-learning programs. Watching the video of dialogues between the president and the presenter helps employees not only to acquire knowledge, but also to deepen their understanding of Inclusion and Belonging concepts linked with Kyocera corporate principles. Furthermore,

we also held psychological safety academy sessions targeting section and division chiefs to support leadership in promoting on-site dialogues. In addition, Kyocera established an in-house community with the participation of more than 100 employees to share individual day-to-day experiences and problems to encourage learning together through communication. Through such approaches, Kyocera strives to cultivate a corporate culture that promotes individual employee engagement with Inclusion and Belonging not as difficult issues unrelated to themselves, but as issues closely related to them.



Video education materials regarding psychological safety



The 1st graduating class of the Psychological Safety Academy

Fulfillment of Human Capital - Promotion of Inclusion and Belonging

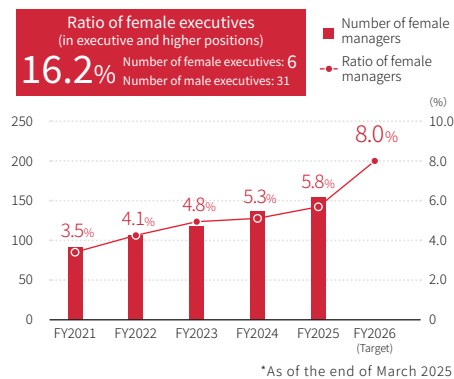
② Gender diversity promotion

Gender equality is one of the core themes in the promotion of Inclusion and Belonging at Kyocera. Setting the goal of having 8.0% of management positions held by women (as of the end of FY2026), we have steadily moved forward with the initiative. As of the end of FY2025, the percentage of management positions held by women remained at 5.8%, revealing a gap between the goal and actual progress; however, the number of female executives, both internal and external, increased to 6 (16.2%), showing improvement in the diversity of top management.

In order to support such growth, Kyocera provides mid-career employee and young employees with opportunities to develop a mindset that reduces anxiety about filling managerial positions in the future and helps them acquire leadership knowledge through Career Challenge Training.

Kyocera has also implemented multifaceted measures to dispatch candidates for executive positions to external training, provide mentoring for employees in managerial positions, and ensure opportunities for communication with division chiefs from other

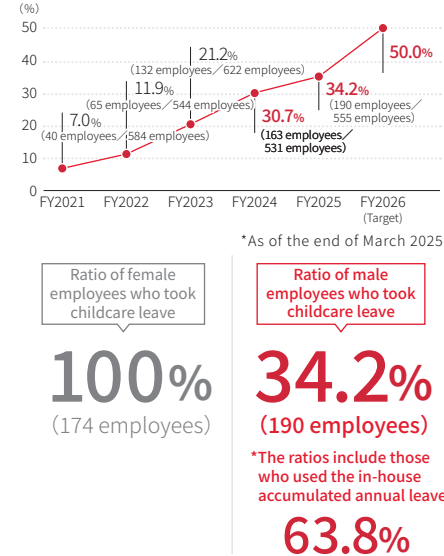
Numbers and Ratios of Female Managers (Kyocera Corporation)



companies.

Kyocera also supports male employees to take childcare leave, and holds roundtable discussions with male employees who have taken childcare leave with the goal of providing information about the benefits of childcare leave and promoting greater understanding of the system. Such efforts helped to steadily increase the ratio of male employees taking childcare leave in FY2025. However, in order to achieve the goal (50%), it is essential to implement structural reforms, including multi-skilling and standardization of work. We continue to cultivate a corporate culture that considers childcare leave to be a positive factor for career development.

Ratio of Male Employees that Have Taken Childcare Leave (Kyocera Corporation)



③ Support to ensure that all employees are able to actively enjoy diverse attributes and life stages

Kyocera prioritizes the development of an environment in which all employees can exercise their potential in different life stages. We place a particular focus on improving systems and measures to help employees to engage in work along with child rearing and providing long-term nursing care to family members when needed, and when undergoing medical treatment.

○ Support for Child Rearing

Kyocera strives to eliminate anxiety while providing support for career development through seminars before and after childcare leave and the establishment of in-house communities, and enhances flexible workstyles for employees returning to work while creating an in-house support network, aiming for the continual career formation and growth of individual employees.

○ Support for Long-term Nursing Care

In cooperation with the labor union and human affairs division, Kyocera promotes group-wide education, the development of a consultation desk, and the establishment of communities for information sharing to help individual employees create a good balance between work and the need to provide long-term care to family members.

○ Support for Female Engineers Specialized in Science and Technology

In order to recruit and cultivate female engineers specialized in science and technology, Kyocera has implemented initiatives from a long-term perspective. These include interactions with employees from other companies, and office tours for female junior-high and high school students. These measures are considered strategic investment to develop an organization in which diverse human resources can exercise their capabilities.

④ Internal and external provision of information and raising awareness of Inclusion and Belonging

Kyocera has selected January as promotion month, during which it promotes understanding of Inclusion and Belonging among all employees through executive messages and sessions on related themes.

We provide information about Inclusion and Belonging in response to the voices of employees via the intranet and in-house newsletters in an easy-to-understand manner to create opportunities for individual employees to consider Inclusion and Belonging as their personal goal.

In FY2025, to deepen the understanding about the concept of fairness, we held a roundtable discussion for corporate executives. This discussion was held to provide opportunities to corporate executives to consider fairness and share their own thoughts and ideas with other employees.

Furthermore, through collaboration with other companies and local governments, we are establishing networks to promote Inclusion and Belonging by society as a whole.

Through these initiatives, we value fostering an attitude in which each employee thinks for themselves, takes action starting from small things, and engages proactively.

An abstract geometric background on the left side of the page, composed of many overlapping triangles in various shades of red, orange, yellow, and blue. A large, white, stylized number '6' is centered within the upper portion of this background.

6

Toward the creation of new value for society

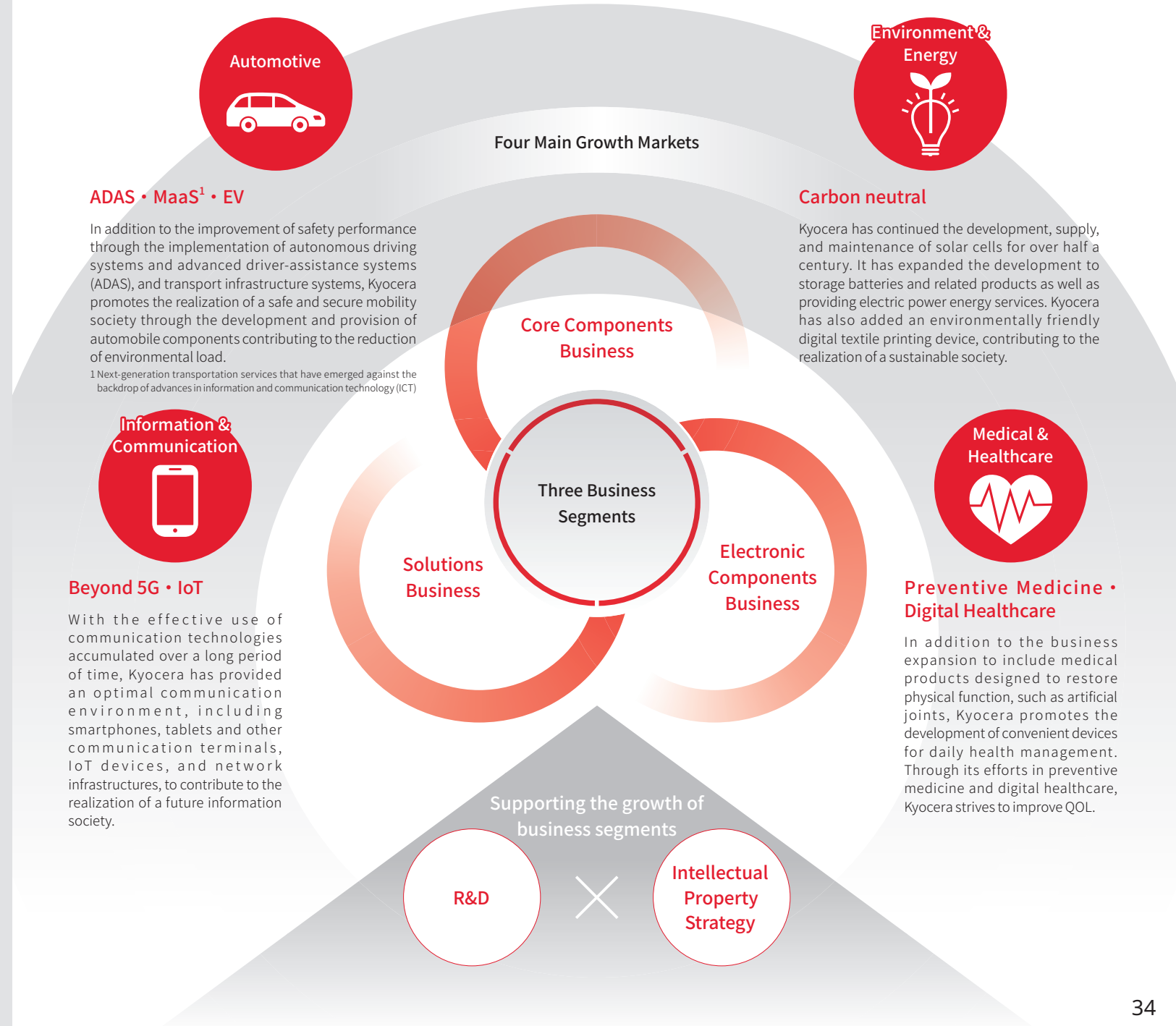
1.Business Segments and Four Main Growth Markets	P.34
2.Core components	P.35
3.Electronic components	P.37
4.Solutions	P.39
5.Promotion of R&D	P.41
6.Intellectual Property Strategy	P.43
7.Creation of new businesses	P.44

6-1

Toward the creation of new value for society

Business Segments and Four Main Growth Markets

Kyocera has established portfolios corresponding to diverse markets based on three business segments: Core Components, Electronic Components, and Solutions. These three business segments are supported by Kyocera's cross-sectoral R&D functions and intellectual property strategy. Through the enhancement of fundamental technologies and the effective use of intellectual properties, Kyocera places a priority on creating new businesses and enhancing the sophistication of existing businesses. Furthermore, in order to resolve social issues and achieve business growth, Kyocera has designated Four Main Growth Markets; "automotive," "information and communication," "environment and energy," and "medical and healthcare." Leveraging the comprehensive capabilities of the Group, Kyocera concentrates management resources into the areas that are a driving force for future growth.



6-2

Toward the creation of new value for society

Core Components

The Core Components segment comprises components businesses such as fine ceramic components (our founding product line), automotive components, optical components, ceramic packages, organic packages, display products, and medical devices. Centered on semiconductor-related markets, which show strong medium- to long-term growth potential, we aim to achieve our Management Rationale and develop core products that support society's sustainable progress and enrich people's lives.



Michinori Yamada

Director and Managing Executive Officer
Executive General Manager of Core
Components Business

Innovating in technologies only Kyocera can develop

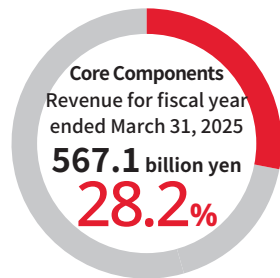
Blazing a path to the future by returning to the roots of our competitive strength and reaffirming our technological power

Business results for the fiscal year ended March 31, 2025

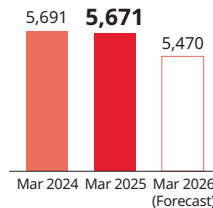
Despite an increase in sales of fine ceramic components for semiconductor production equipment, the decrease in sales of organic packages has had an impact

Revenue in the fiscal year ended March 31, 2025, was down slightly by 2.0 billion yen (0.4%) year-on-year to 567.1 billion yen, remaining almost unchanged. Business profit decreased by 58.3 billion yen, resulting in a loss of 1.1 billion yen. Revenue was impacted by lower sales of FCBGA organic package boards for general-purpose data centers, even as sales of products such as fine ceramic components for semiconductor processing equipment (SPE) increased. Profit decreased sharply to about 43 billion yen due to factors such as decreased sales in the organic materials semiconductor components business and impairment losses on property, plant, and equipment.

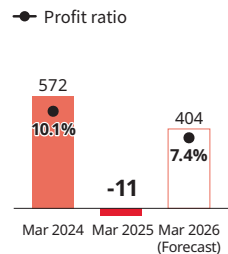
Sales composition ratio



Revenue (100 million yen)



Business profit
(100 million yen)



*As announced in May 2025

In the year ending March 2026, we will transfer the jewelry business from the Core Components Business to the Solutions Business and the display business from the Solutions Business to the Core Components Business.

Business outlook for the fiscal year ending March 31, 2026

Concentration of management resources on core ceramics businesses that leverage our strengths

In the fiscal year ending March 31, 2026, revenue is projected to decrease to 547.0 billion yen. Business profit is projected to increase sharply to 40.4 billion yen because the one-time costs that arose in organic packages and board business last year have been resolved. Profit margin is projected to be 7.4% in this period because of efforts to reduce fixed costs and improve variable costs, particularly in organic packages and board business. Moving forward, we will aim to improve profitability by concentrating management resources on ceramics, which we consider a core business field.

Priority measures

■ Growing the business of components for semiconductor processing equipment (SPE)

Leveraging our advanced ceramic materials and manufacturing technologies, we will advance efforts such as sharing our development roadmap with major SPE customers, expanding production capacity in response to demand, and continually evolving ceramic materials and manufacturing technologies. Our targets for the coming four years are to increase revenue by 45% and profit margin by 3.0 points.

■ Growing the ceramic packages business

We will put to maximum use our strengths, such as our crystal device package miniaturization technologies and a 100% share¹ in ultracompact products², our technological power in image sensor package manufacturing, and our technologies for optical communication package integration and acceleration. We also plan to share development roadmaps and develop technologies with strategic customers, expand production capacity in Vietnam, and promote migration to ceramic chiplet packages. We will target growth of 21% in sales and 5.6 points in profit margin over the coming four years while aiming to achieve double-digit growth for the segment overall.

¹ 1210 size (1.2 mm × 1.0 mm)
² June 2025 Kyocera research

Core Components

Concrete strategic initiatives

Developing our business portfolio with greater agility and appropriateness, while realizing the revival and growth of our founding business group

An important management vision of the Core Component Business segment is reformation and evolution into a more agile and appropriate business portfolio. As stewards of Kyocera's founding legacy business, we will return to the Kyocera Philosophy, apply our ingenuity and wisdom, and continue striving for enduring value creation.

Kyocera has newly established project structures to strengthen technological development for ceramic and organic packages for SPE and the information and communication markets to improve competitiveness and speed. In addition, we are striving to optimize resources, such as cooperation with external partners when necessary.

Seeking collaboration among technology, development, and sales backed by optimal allocation of personnel to achieve an environment in which competitiveness and collaboration lead to co-creation, and all employees can shine even brighter

A top priority is strengthening our organizational capabilities. In addition to enhancing the competitiveness of each business, we will emphasize the ability to work together to increase cooperation between businesses. To facilitate this, we are working to optimize personnel allocation. We plan to consolidate areas such as technology, development, and sales that have been handled by each division and strengthen cooperation to enhance our overall capabilities. We are confident that doing so will create synergy while significantly improving speed and efficiency and increasing customer satisfaction. In addition to simply aiming for optimization, we are focused on developing and supporting human resources to serve as the next generation of leaders by creating an environment in which each employee can shine even brighter. We aim to realize a team effort fully capable of co-creation by combining competitiveness and collaborative agility.

Reviewing production systems and manufacturing bases while improving factory utilization rate and management efficiency through prioritization and focus

To leverage the benefits of prioritization and focus, we are implementing reviews and optimization of our production system and manufacturing bases. In the organic packages and board business, in particular, there is an urgent need to invest in improving quality and optimizing production lines; and we will end production of some products to concentrate manufacturing and technical resources on areas such as next-generation FCBGAs, which are expected to grow in the future. Similarly, in the display business, mainly automotive, where competition is fierce and profitability is an issue, we aim to accelerate internal improvements, promote the adoption of locally sourced components overseas, and reduce fixed costs. With regard to capital investment, we are reviewing demand forecasts and other measures to ensure timely and effective deployment in areas where growth is expected.

Main products



6-3

Toward the creation of new value for society

Electronic Components

The Electronic Components segment combines the technological capabilities and know-how of Kyocera's Electronic Components Group and its U.S. subsidiary, KYOCERA AVX (KAVX), cultivated over many years, to create a competitive edge.

Based on the trust we have built between the two companies over more than 30 years, we will continue to develop and provide unique products and solutions in a market that is expected to grow and improve in profitability.



Koichi Kano

Director and Managing Executive Officer
Executive General Manager of Electronic Components Business

Creating devices only Kyocera can propose

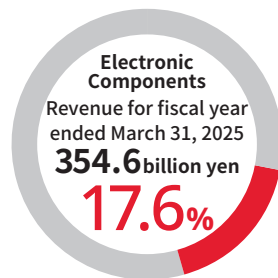
Supporting our customers' product development with Kyocera's unique technological and solution capabilities, and contributing to the advancement of society

Business results for the fiscal year ended March 31, 2025

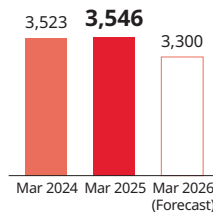
Decreased demand due to a downturn in the European automotive market and lower profit due to weak operating rate at a new KAVX plant

Revenue in the fiscal year ended March 31, 2025, increased by 2.4 billion yen (0.7%) from the previous consolidated fiscal year to 354.6 billion yen, almost unchanged. Business profit decreased by 7.3 billion yen year-on-year, resulting in a loss of 800 million yen. In terms of sales, although demand declined due to a downturn in the European automobile market, sales of capacitors and crystal components for the information communication and industrial equipment markets increased. In addition, the depreciating yen has had an impact. In terms of profit, the cost ratio increased due to the sluggish operating rate at a new KAVX Group plant, while labor costs have decreased significantly.

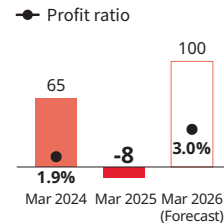
Sales composition ratio



Revenue (100 million yen)



Business profit (100 million yen)



* As announced May 2025

Business outlook for the fiscal year ending March 31, 2026

Segment-wide implementation of "prioritization and focus" on profitable MLCCs and high-market-share tantalum capacitors

In the fiscal year ending March 31, 2026, we expect sales to decrease to 330 billion yen. This reflects the impact of structural reforms through "prioritization and focus," economic slowdowns, currency fluctuations, and U.S. tariffs. On the other hand, we expect business profit to increase to 10 billion yen.

In terms of profit, we expect an increase due to KAVX's efforts to improve the profitability of its multilayer ceramic capacitors (MLCCs) and tantalum capacitors businesses. We will focus on high-profit businesses, with an emphasis on products with a high market share, and strive to strengthen our competitive advantage.

Priority measures

■ Restructuring our business portfolio and strengthening global competitiveness

We will concentrate management resources on MLCCs, tantalum capacitors, connectors, and timing devices with high-profit and differentiated technologies, and accelerate expansion into high-value-added markets such as advanced semiconductors, aviation and aerospace, defense, and medical. On the other hand, we will reduce or withdraw from unprofitable areas, and we will leverage M&A to expand technology and markets to strengthen competitiveness.

■ Growth strategy centered on core competencies

We will take advantage of KAVX's strong customer base by bringing together Kyocera manufacturing, technology, and development resources to provide high-value-added custom products such as MLCCs, quartz crystal devices, and connectors for the advanced semiconductors, aviation and aerospace, defense, and medical markets. We will differentiate ourselves by proposing solutions that leverage the comprehensive capabilities of the Kyocera Group, and strengthen our sales capabilities by deploying our global distributor network and local management human resources.

Electronic Components

Concrete strategic initiatives

Aiming to demonstrate synergies through shared understanding and focusing on the optimization of our production systems segment-wide

In the Electronic Components Business segment, a high percentage of sales (94%) and employees (85%) are in overseas markets. This global segment operates in locations around the world. KAVX plays a central role in this segment and had a major impact on our business results in the previous period. To make swift improvements, we are dispatching engineers from Japan and focusing on the integration of manufacturing sites and internal manufacturing reforms to increase yield rates and improve productivity. In our sales divisions, we launched the “Global One Face Sales Structure” initiative in April 2023, seeking to integrate the customer contact points, contracts, and material flows of Kyocera’s Electronic Components Group and

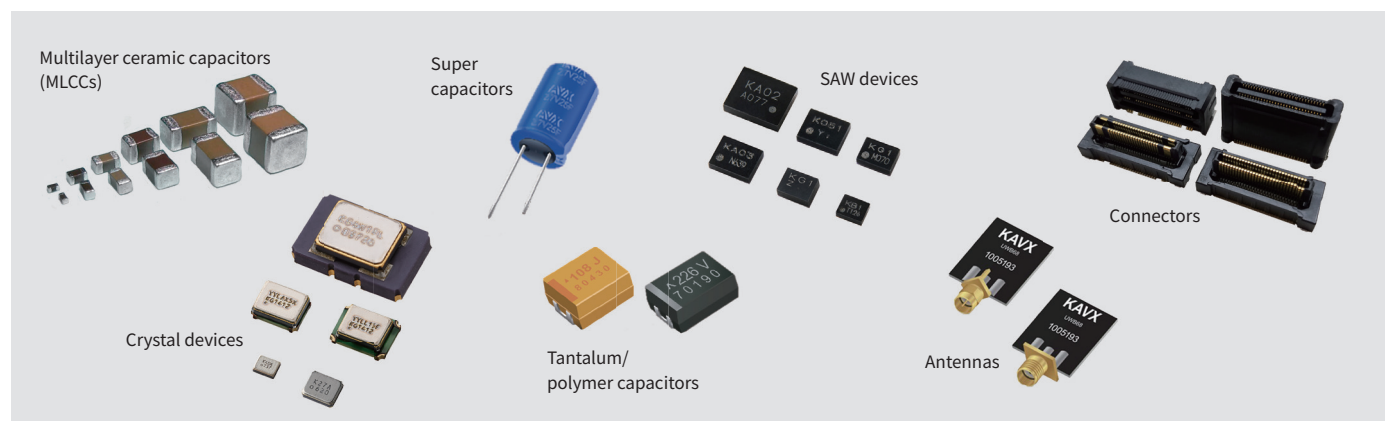
KAVX.

Sharing the Kyocera Philosophy is essential to achieving the close-knit operational structure we envision. “Providing opportunities” is an important part of the Kyocera 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” – but we need to consider how best to communicate the Kyocera Philosophy in regions with different cultures. We believe that to demonstrate synergies, it is also vital to deepen our shared understanding and align our business aims while respecting diversity.

Improving segment profitability overall by reforming our business portfolio through business transfers

We will strive to reform our business portfolio while looking toward projected market growth rates and rapidly achieving target profit margins. We are working toward solutions to reinforce our competitive strengths and improve profitability in fields like small-form-factor, high-capacity MLCCs, automotive MLCCs, and tantalum capacitors. At the same time, based on a policy of prioritization and focus, we announced the sale and transfer of our silicon diode and power semiconductor businesses in January 2026. We plan to continue to revise the business portfolio in phases moving forward. We will continue structural reforms aimed at improving our earnings power and concentrating on businesses with high growth potential.

Main products



6-4

Toward the creation of new value for society

Solutions

The Solutions segment's diverse product line includes document solutions, industrial tools, information and communication equipment and services, smart energy, printing devices, and, starting this fiscal year, jewelry & applied ceramic products. In addition to promoting the development of each business, we aim to contribute to the sustainable growth of society and solve societal challenges by leveraging diversity to create innovations that are not bound by existing frameworks.



Norihiko Ina

Director and Senior Managing Executive Officer
Senior Managing Executive Officer in charge of Strategic Business Transformation Project and Executive General Manager of Solutions Business

Addressing issues facing customers and society with solutions only Kyocera can produce

Driving innovation for transformative solutions based on high-quality, high-value-added products and services

Business results for the fiscal year ended March 31, 2025

Increased revenue in the document solutions business and improved profitability through structural reforms in communication equipment and smart energy

In the fiscal year ended March 31, 2025, both revenue and business profit increased. Revenue increased by 9.4 billion yen (0.9%) from the previous consolidated fiscal year to 1,111 billion yen. Business profit increased by 3.1 billion yen (4.4%) to 72.9 billion yen, and profit margin improved to 6.6%. Revenue and profit for document solutions increased due to strong sales of printers and MFPs, our main products, and depreciation of the yen. In addition, continued structural reforms in communication equipment and smart energy progressed smoothly and improved profitability.

Business outlook for the fiscal year ending March 31, 2026

Actively tackling urgent issues and further promoting next-generation growth scenarios

For the fiscal year ending March 31, 2026, we expect revenue of 1,041 billion yen and business profit of 64 billion yen. This is due to uncertain prospects that include U.S. tariffs and exchange rate fluctuations, rearranging of the display business and the jewelry & applied ceramic products businesses, and changes involving certain sales standards in the information and communication services business between segments. We will actively tackle urgent issues and continue to promote structural reforms. We will also identify growth businesses and businesses that require downsizing or withdrawal.

As a future growth scenario, we will promote a shift toward a business portfolio focused on solving customer needs and societal challenges, and the sale of "products × solutions."

Priority measures

■ Growth and efficiency through the optimization of management resources by product line

We will optimize management resources by clarifying growth businesses and businesses requiring downsizing or withdrawal by product line.

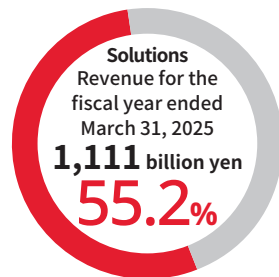
■ Shifting to a business portfolio focused on solutions to issues facing customers and society

After clarifying Kyocera's strengths and core competencies, we will shift from a business portfolio focusing on individual products to one that emphasizes solutions to issues facing customers and society.

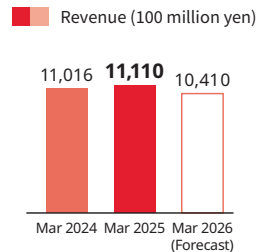
■ Promoting the sale of "products × solutions"

While continuing to strengthen manufacturing, we will contribute to improving customer value by promoting the sale of "products × solutions" that provide valuable information and services to our customers.

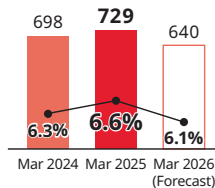
Sales composition ratio



Revenue (100 million yen)



Business profit (100 million yen)



*As announced in May 2025

From the fiscal year ending March 31, 2026, the jewelry & applied ceramic products divisions previously included in the Core Components segment will henceforth be included in the Solutions segment, and the display business, which has previously been included in the Solutions segment, will henceforth be included in the Core Components segment.

Solutions

Concrete strategic initiatives

Growth and efficiency through optimizing management resources for each product line

We will optimize management resources for growth and higher management efficiency. Specifically, we will clearly identify businesses to grow and those slated for curtailment or withdrawal in each product line and reinforce our competitive strengths in growth businesses through various means, such as new product development and sales channel enhancement. For businesses slated for curtailment or withdrawal, we will formulate clear policies and execution plans and take swift action. By reallocating management resources freed through curtailment or withdrawal, giving top priority to growth businesses, we will make business management more efficient and further accelerate growth.

Transformation toward a business portfolio better able to deliver solutions to customers and society

Increasingly diverse customer needs and societal challenges have made the concept of co-creation of value with customers even more important to future business growth. We will respond to this changing environment by revising our business portfolio, which has traditionally been based on individual products, to one focused on solutions for customers and society. Moving forward, we will aim to build a business structure that delivers high levels of value for society by moving toward businesses centered on sales of both products and services, by adding services for high-quality customer solutions, in addition to the high-performance product manufacturing that we have pursued until now.

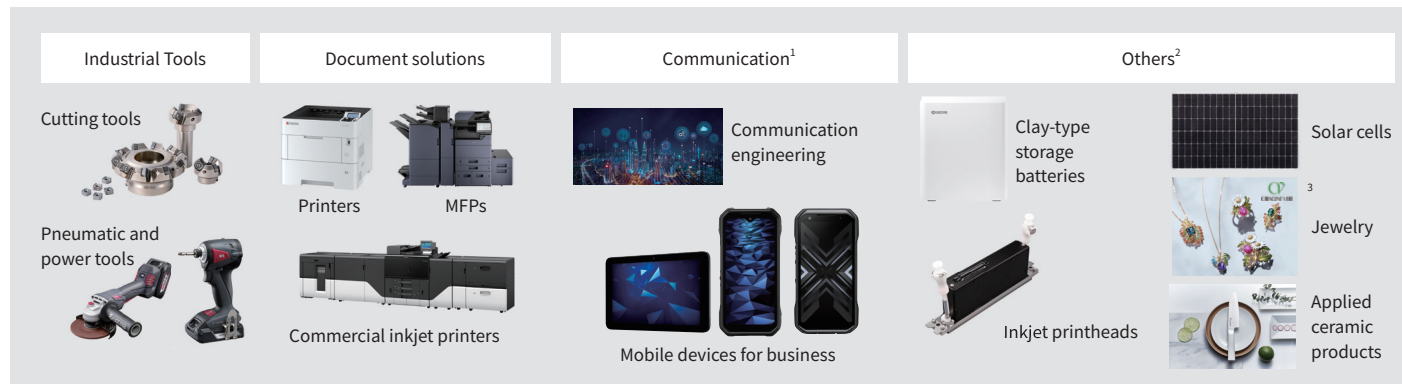
Promoting sales of products and solutions

Kyocera will promote sales of products and as well as solutions by providing high-value-added information and services to our existing product lines.

To do so, we will need systems for providing core business concepts and information and services that have value for customers.

This promotion of sales of products and services will be based on building common business models as the basis of our approaches, common platforms for data connection and analysis, and the provision of valuable information and services to customers and society.

Main products



¹ Communication devices, information and communication services

² Smart energy, printing devices, jewelry & applied ceramic products

³ CRESCENT VERT is a registered trademark of Kyocera Corporation.

6-5

Toward the creation of new value for society

Promotion of R&D

The Kyocera Group has pursued new value through manufacturing as it extends 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.” Centered on our four priority markets, we promote R&D across a wide range of fields from materials through systems and services. In response to accelerating technological progress and increasingly diverse social challenges, we will achieve our Management Rationale and contribute to a sustainable society by integrating technologies in our research networks.

Our vision for the future through R&D

Promoting open innovation and taking on the challenges of social solutions while focusing on both technology development and business development

R&D enhancement is an essential materiality issue for achieving the Management Rationale and Management Philosophy and contributing to the globalized society and economy. R&D has two main missions. The first is to strengthen existing businesses with the potential for large-scale growth in priority markets. The second is to create new businesses for the future, from a medium- to long-term perspective.

In recent years, we have been promoting collaboration across sections to strengthen existing businesses. We will create new value by sharing information and expertise while aiming for business development through seamless cooperation from an early stage between R&D and business segments and among multiple segments.

In new businesses, we will strengthen more open research networks. In addition to enhancing internal collaboration, through corporate venture capital (CVC) we will invest in companies in the early stages of their businesses and support startups in Japan, Asia, Europe, and the Americas, to respond with high

sensitivity to future technical needs. Looking toward the future, we also will enhance collaboration with academia (University of Tokyo and Kyushu University), not only to use the technologies we can offer in R&D but also to gather information needed for new business creation from diverse perspectives including sociology. Of course, it also is important to carry out urgent R&D toward social solutions, including responsible manufacturing and lessening environmental impact across the product life cycle. At the same time, as we aim to make permanent contributions as a business enterprise, it is important to ensure a high level of business potential. We will aim to be a pioneer who always remains at the front lines of creating new value through our R&D in the future.

Future policies

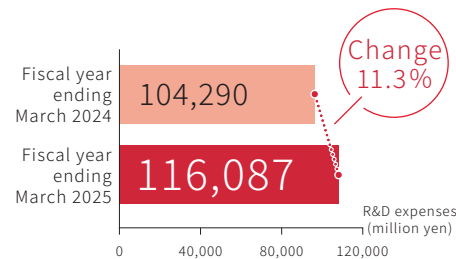
■ Concentration of development themes on strengthening core businesses

In the fiscal year ending March 31, 2026, we will concentrate on core business domains through prioritization and focus of businesses. By narrowing down themes, we will reallocate in a more optimal way R&D human resources, activities, and investment, which traditionally have been widely dispersed. We will take on enhancement of existing businesses in the near future with an even greater sense of urgency.

■ Promoting business development strategies

As described above, in revising development themes and in new R&D for the future, we are focusing strongly on potential for business development. We are sharing and analyzing information with business segments through a borderless approach and closely studying business feasibility from an earlier stage of R&D. We are aiming to increase the speed of R&D in a more continuous way, through the final stage of business development, as a vital strategy.

● R&D expenses



Case: Highly durable SOFCs

Solid oxide fuel cells (SOFCs) generate energy with high efficiency through a chemical reaction between hydrogen and oxygen. Kyocera has advanced its compact SOFC technologies since it began fuel-cell development in 1985. Currently, we are focusing on development of highly durable SOFCs that realize carbon neutrality.

Case: ITS* cooperative vehicle-highway system

Aiming for a level of zero traffic accidents, Kyocera is testing smart poles to provide information on nearby dangers in the inevitable blind spots of onboard vehicle sensors. We will contribute to a safer, more comfortable mobility environment by broadening applications of this technology in the future.

*Intelligent Transport System

Promotion of R&D

R&D facilities

Activating exchange and free exchange of opinions and accelerating implementation of R&D by connecting engineers and information among facilities

Kyocera continues to focus on its R&D environment. Core facilities are the Minatomirai Research Center, the Keihanna Research Center, and the Kirishima R&D Center. In particular, the Kirishima R&D Center, which began operation in September 2022, has enhanced collaboration by bringing together the Manufacturing Laboratory, which researches materials technologies, the Production Technology Section, and the Analytics Section. All three of these units previously had operated at the Kokubu Plant in Kagoshima Prefecture. This has established a system able to provide comprehensive support from product launch through subsequent facility automation and production efficiency planning,

Kirishima R&D Center (Kirishima, Kagoshima Prefecture)



Located adjacent to the Kokubu Plant, the center is composed of three core units: the Manufacturing Laboratory, which conducts research on materials technologies; the Production Technology Division, which develops process technologies; and the Analytics Center, which focuses on analytical and evaluation technologies. The facility is built around the concept of "CAMP," derived from "Change, Challenge, Create = Analytics × Material × Process", and this concept is also reflected in the interior floor design.

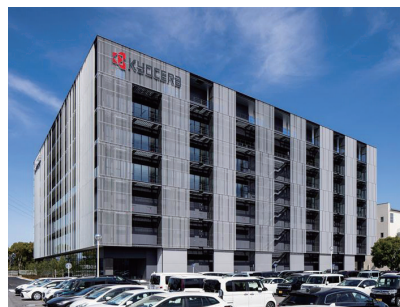
■ Main research fields
Information and communications (electronic parts, semiconductor materials and components), environmental energy (fuel cells, carbon-neutral materials), industry for living (new materials, functional formed ceramics components), etc.

in addition to accelerating product and technology development.

The floor environment has been designed to serve as a place where engineers from both inside and outside the company can interact, to share information and technologies, develop human resources, and create innovation through everyday projects.

In the fiscal year ending March 31, 2026, we expect to enhance the R&D environment further with the opening of the Yasu Development Center in Yasu, Shiga Prefecture. Of course, we also are actively sharing existing knowhow with overseas facilities, and we will promote R&D through a global structure that includes KAVX.

Yasu Development Center (Yasu, Shiga Prefecture)



This six-story facility has prototyping workplaces on the first three floors and offices, a cocreation cafeteria, and a training space for new engineers on the fourth through sixth floors.

Its main missions are to develop core technologies, production processes, and equipment needed for component manufacturing and to optimize production processes to achieve carbon neutrality. It also helps to develop the next generation of engineers.

Collaboration with outside partners

Promoting innovative initiatives through further enhancing industry-government-academy collaboration and carrying out research and testing from new perspectives

Kyocera's strengths include its vertical integration based on the Group's amassed knowhow and systems and its comprehensive R&D and support. Collaboration with outside partners makes it possible to create new businesses with greater speed through more diverse outlooks on future trends.

While we have carried out co-creation and cooperation with various partner firms through now, in recent years we have been focusing on CVC in particular. The aim is to utilize Kyocera's knowhow from new perspectives to accelerate and more reliably apply in society the exciting and innovative technologies that startups can offer. The Kyocera Venture Innovation Fund-I (KVIF-I), a CVC investment fund established in April 2024 by Kyocera and Global Brain Corporation, supports startups engaged in R&D on the cutting edge in four priority markets. Already it has invested in fully autonomous driving field. Creative new technologies that have reached the practical stage combine Kyocera's sensors and advanced driver assistance systems (ADAS) to help realize the future of mobility. In addition to technology fusion, we also are taking on the challenges of open innovation and HR development through exchange activities.

In addition to business development based on technology, we also are taking action to develop science and technology for the future and forecast

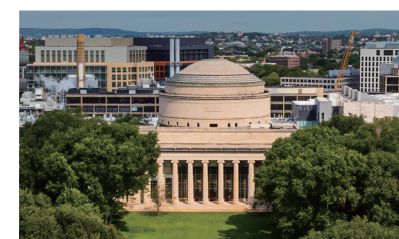
economic and social developments. We have concluded comprehensive agreements with the University of Tokyo and Kyushu University, and already we have begun joint research with the University of Tokyo through social collaboration courses. We are envisioning a new future and studying R&D policies through exchange with researchers in sociology and various other fields in addition to providing our technologies.

Our collaboration with the University of Tokyo, which began in 2022, aims for swift implementation in society and solutions to social challenges. Centered on the School of Engineering, which plays a central role in practical technology research, we are carrying out four social collaboration courses and six joint research projects across multiple schools, including those of science, medicine, the humanities, and the social sciences. We also are collaborating with the Massachusetts Institute of Technology (MIT) in the United States. The aim is to combine MIT's knowledge and Kyocera's technologies and social implementation abilities to contribute to urgent solutions for society. Joint research already has begun on technologies to reduce GHG emissions, which have a strong impact on climate change, and to convert them to basic materials. This research is aiming for solutions in areas such as the environment and energy.

University of Tokyo



Massachusetts Institute of Technology



6-6

Toward the creation of new value for society

Intellectual Property Strategy

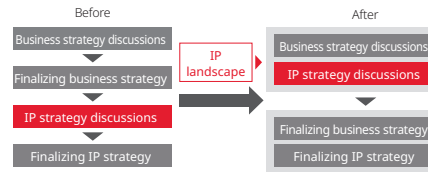
“Committing to the highest legal and intellectual property standards to strengthen and protect our business.” This statement represents Kyocera’s basic principle concerning legal and intellectual property (IP) activities. Amid rapidly changing markets and evolving societal demands, the Kyocera Group holds an unyielding standard for intellectual property (IP) principles and practices.

Our Concept of Intellectual Property (IP)

Using knowledge learned from IP landscapes, we collaborate with business units to incorporate intellectual property strategy into their business strategies from the initial stages of new business opportunities

With the Kyocera Group’s multi-layered technological foundations, intellectual property is a core management resource that supports competitive advantages. In its IP activities, Kyocera focuses on incorporating IP strategy into business strategy as part of its missions and priorities.

Using IP¹ landscapes, i.e., collecting and analyzing intellectual property information including information derived from patents held by other companies, which can then be utilized to inform business strategy and management decisions, we collaborate to incorporate and implement intellectual property strategies from the early stages of planning to strengthen each business.



Building trusting relationships opens the door to new business

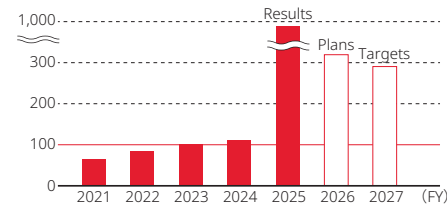
Ryuga Asayama

Corporate Legal and Intellectual Property Group, Kyocera Corporation

I am working in the Corporate Legal and Intellectual Property Group, where we develop proposals for new markets using IP landscapes. We follow a process of trial and error, but we communicate closely with engineers and employees in sales to meet their needs. This attitude helps to build trusting relationships, and this in turn has resulted in requests for consultations on intellectual property strategy for new products from the frontline of sales. Based on the strategy, we have been building co-creation relationships that go well beyond simple support to include such activities as actively pursuing patent applications that incorporate the customer’s unique perspective related to sales. Through the development of partnerships across divisions, we are now cultivating future businesses.

Visualizing IP contributions to business using Kyocera’s unique KPI (key performance indicator)

Kyocera visualizes the results of its IP activities using a unique KPI known as “Value of Contributions to Business.” This value is calculated based on 1) increased sales attributable to ownership of 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, not patent counts, each year as a key performance indicator (KPI), which provides a clear picture of the growth and economic value of our IP activities. Due to large transactions, FY2025 revealed significantly increased KPI.



*Changes and target values shown above are calculated by setting the value of contributions to business in FY2023 as the standard value (=100).

Official Kyocera Group Intellectual Property website to expand the recognition of its unique technologies and promote collaboration with other companies

Kyocera promotes the establishment of co-creation partnerships to make its technologies and intellectual properties available to society, and the Official Kyocera Group Intellectual Property website was established as a contact point. This website provides information about our concepts and technologies to help match us with partner companies that share our vision. We recently began a collaboration in the consumer products field with a partner company that resonates with our corporate stance.

Sharing HAPTIVITY[®], Kyocera’s tactile transmission technology, made it possible to help the partner company realize the comfortable user experience they were looking to achieve. This is a good example of the collaborative creation of value that Kyocera aims for. We continue working on the creation of new value with partner companies in a broad range of industries using our technologies and intellectual property to contribute to the advancement of society.

- Official Kyocera Group Intellectual Property website
- The collaborative creation of value using HAPTIVITY[®] technology (News release)



Making our organization into one team

Taiki Murakami

Corporate Legal and Intellectual Property Group, Kyocera Corporation

Before the new business unit could begin production, it faced the barrier of dealing with other companies’ patent networks. At first, there was no immediate alignment between the site, which was looking to prioritize speed, and IP Group which saw the management of intellectual property risks as a priority issue. To address both of these perspectives, we conducted intellectual property training on the offensive and defensive sides to promote awareness throughout the organization. Along with this, we visited the site many times for repeated discussions and worked very closely with them to analyze risk and return. This effort has resulted in intellectual property becoming even more “personal” for business departments, and a culture of intellectual property activities led by business divisions has now been rooted in the organization. By facing the challenges head-on, we were able to gain a stronger sense of unity.

6-7

Toward the creation of new value for society

Creation of new businesses

To achieve sustained growth, the Kyocera Group is focusing on new business development to balance social and economic value.

Through now, we have generated numerous technologies through the process of diversification in which small “Amoeba” organizations expand, collaborate, integrate, and separate. By adding new R&D results to these technologies, we can launch new businesses rapidly.

Wireless relay technology to expand the 5G millimeter-wave area

Seeking to accelerate practical use of the 5G millimeter-wave area (28 GHz band), which enables ultra-high-speed, large-capacity communications, we were the first in the world¹ to develop wireless relay technology that overcomes the issue of weakness to screening that is distinctive of millimeterwaves. We are developing a new business to expand the surface area of communications in urban areas by using compact, low-power relays. Commercial use already has begun in Tokyo.



FOREARTH Textile Inkjet Printers

FOREARTH Textile Inkjet Printers use specially developed pigment ink and inkjet printheads to achieve water-free printing, greatly reducing industrial wastewater.



Kyocera Robotics Service

This service uses AI and 3D vision for smarter collaborative robots, intended to broaden use of robots. This service is suitable for use in picking nonstandard, irregular parts and in processes involving wide ranges of products in small quantities, which traditionally have relied on human labor.

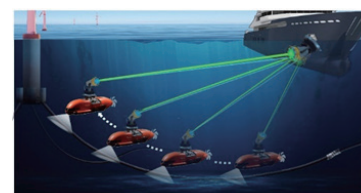
This new business combining the Kyocera Group's AI, controls, cloud computing, optical, and other technologies will contribute to solutions to the labor shortage.



Underwater Wireless Optical Communication (UWOC)

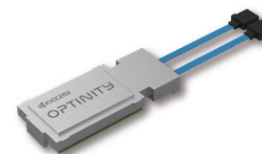
We are working on business development of an Underwater Wireless Optical Communication (UWOC) system to enable high-speed communication under the sea. Radio waves cannot be used for communication undersea because of the significant attenuation on water. Using visual lasers, which experience less attenuation in water, Kyocera has realized high-speed, stable 2 Gbps underwater wireless optical communication by combining technologies such as optical components from development of communication devices, laser controls, and mechatronics.

The aim is a practical communication infrastructure to support research on seabed resources and inspection of offshore facilities.



OPTINITY® integrated optical module²

This module integrates light and electricity at high density to connect computer devices using light. It can help reduce the size and environmental impact of data centers through high-speed signal transmission with low power consumption. Practical testing with a major server maker began in 2024. We are aiming to bring this technology to market in FY2027, based on optoelectrical technologies developed in house.



Cooperative vehicle-highway systems

We are developing cooperative vehicle-highway systems to improve safety at intersections and similar locations, to help support safe driving and achieve autonomous driving. This use dedicated ITS wavelengths to transmit to vehicles directly information on subjects such as unexpected vehicles and signals. They combine ITS wireless road units and far infrared (FIR) camera sensing technologies for traffic infrastructure to alert drivers and prevent accidents.



Environmentally friendly sustainable aquaculture technologies

Kyocera is participating in a project to build an offshore aquaculture system combining LED lighting and IoT technologies. Using light from our advanced color-rendering CERAPHIC® LEDs³, which deliver gentle light to living creatures, this project is testing the impact on fish growth and spawning. Currently, it is analyzing how light color and intensity and water temperature affect yellowtail growth. The aim is to establish environmentally friendly sustainable aquaculture technologies.



Rice cultivation in plant factories

Kyocera is developing a hydroponic rice cultivation system using LED lighting, based on a hydroponic LED lettuce-cultivation system. This system enables yearlong cultivation with high yields and water conservation difficult to achieve in rice paddies. It does so through light wavelength controls optimized for plant growth. As the world's population approaches 9 billion, we will aim to deploy this technology first in regions where water resources are scarce, as an option for achieving both food security and environmental protection.



¹ World's first millimeter-wave relay technology that autonomously forms and reshapes coverage areas (as of December 16, 2024; according to KDDI's research).

² OPTINITY is a registered trademark of Kyocera Corporation in Japan and other countries.

³ CERAPHIC is a registered trademark of Kyocera Corporation.



7

Inclusive Society We Aim to Realize

1.Advancing Sustainability Management	P.46
2.Toward the reduction of environmental impacts	P.47
3.Respect for human rights	P.53
4.Ensuring a Sustainable Supply Chain	P.55
5.Improvement of stakeholder engagement	P.56

7-1

Inclusive Society We Aim to Realize

Advancing Sustainability Management

Since our founding and in line with our corporate motto, “Respect the Divine and Love People,” we have positioned the three “LIVING TOGETHER” principles of coexisting harmoniously with “To coexist harmoniously with our society, our global community and nature.” as the basis of all our corporate activities as we aim for sustainable development while pursuing both ecology (the environment) and economy (economic efficiency). The entire group is working toward sustainable management.

Sustainable Management Approach and Promotion System

CSR to CSV

Aiming for fulfillment of the management philosophy and economic rationality

● Basic Approach

The Kyocera Group has always engaged in corporate activities with an emphasis on harmony with society in alignment with its management philosophy of “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.” Sustainability management is also based on this philosophy; and rather than simply contributing to society, we see sustainability management as an initiative that both provides solutions to the issues facing society through business and connects the results to corporate value. We have been developing a variety of activities as part of our Corporate Social Responsibility (CSR) initiatives, but even socially significant initiatives must be accompanied by profitability and sustainability. Therefore, we have shifted to CSV (Creation of Common Value) because there would be less meaning in contributing to society without achieving productivity and sustainability at the same time. We are actively promoting the development and sale of environmentally friendly products, implementing measures to mitigate climate change by setting long-term environmental goals, and respecting human rights, while balancing economic rationality.

Establishing a system and structure centered on the Sustainability Committee that links Management and frontline operations

● Promotion System

The Sustainability Committee was established to promote the sustainable development of both the Kyocera Group and the society it serves. The Committee is a company-wide decision-making body chaired by the President and tasked with setting goals for important issues such as climate change and non-financial information disclosure. It strives to build consensus and secure momentum for the entire company.

Key Sustainability Committee Agenda Items

- Disclosure of non-financial information
- Resource circulation
- Climate change measures
- Sustainability-related regulations

● Sustainability Management Process

The Sustainability Committee reviews progress on important themes discussed in previous meetings, examines in-depth issues and discusses response policies. Based on discussions by the committee, a process for coordination with each business unit and related departments has been put in place to implement necessary additional measures and reviews. In addition, a system has been established to ensure the effectiveness of the targets set by the committee, including management of KPIs at the implementation stage and the tracking of improvement activities, as well as the consideration of prompt corrective measures when targets are not met.

Sustainability Committee Structure



7-2

Inclusive Society We Aim to Realize Toward the reduction of environmental impacts

The Kyocera Group handles numerous chemical substances throughout our production processes, and we recognize it as our responsibility to minimize environmental impact as much as possible using the latest available technologies. For example, when treating wastewater at our factories, we approach the task with the mindset that we **must purify it to a cleaner state than the rivers where it will be discharged.**

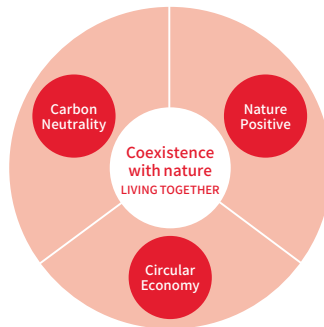
This approach lies at the heart of the three principles of **LIVING TOGETHER** that the Kyocera Group upholds, and it embodies our environmental management philosophy of coexistence with nature.

Environmental Commitment

What we must do to preserve a beautiful planet for future generations

The management philosophy of LIVING TOGETHER established by our founder Kazuo Inamori, particularly the concept of coexistence with nature, aligns with the directions society is heading—carbon neutrality, circular economy, and nature positive—and has been passed down as the fundamental philosophy of the Kyocera Group’s sustainability efforts and the foundation of our environmental management. In 1991, we established the Kyocera Environmental Charter as our basic environmental philosophy. In 2015, considering the adoption of the Sustainable Development Goals (SDGs) and the Paris Agreement on greenhouse gas emission reduction, we established the Kyocera Group Environmental Safety Policy with the goal of contributing to the realization of a sustainable society. Based on this policy, we set targets for reducing environmental impact and promote more proactive and continuous environmental protection activities, while regularly disclosing information in accordance with disclosure standards such as the TCFD (Task Force on Climate-related Financial Disclosures) recommendations.

— Environmental Safety Policy, Targets, and Promotion Structure



The Kyocera Group recognizes coexistence with nature as a major materiality theme, and we have identified the following three items as priority issues to focus on resolving.

① Achieving carbon neutrality

We accurately monitor and visualize greenhouse gas (GHG) emissions across all business activities, and actively promote the introduction of renewable energy and conversion to energy-efficient equipment. We are also developing strategies and implementing measures step by step based on medium- to long-term plans to meet society’s demands, including reduction efforts throughout the supply chain and minimizing CO₂ emissions across the product lifecycle.

② Building a circular economy

Recently, there has been a call to move away from mass production and mass disposal models toward circular business models that assume reuse and recycling from the product design stage. The Kyocera Group is developing company-wide initiatives for sustainable growth, including selecting materials with high recyclability and improving design, extending product lifespans, and establishing collection and regeneration processes.

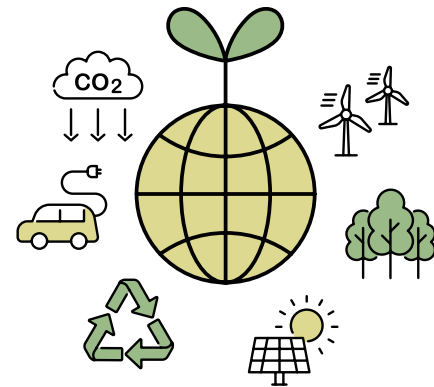
③ Nature positivity

The loss of ecosystems poses risks directly related to resource procurement and business continuity for companies, and it also affects social trust. As a manufacturing company, the Kyocera Group recognizes our responsibility as an entity that impacts the environment, and we are promoting surveys and measures to minimize our impact on biodiversity.

Kyocera becomes the center of the vortex, advancing coexistence with nature throughout the supply chain

Various measures to reduce environmental impact must be addressed across the entire value chain, from product development, procurement, manufacturing, distribution, and sales, to customer site maintenance, resource recovery and reuse, and disposal. Therefore, the Kyocera Group is strengthening our global environmental safety management structure by establishing environmental safety management rules and standards, and implementing systematic environmental education to help each employee understand the significance and role of their environmental protection activities.

Through these efforts, with Kyocera at the center, we will deepen cooperation with suppliers and affiliated companies to promote monitoring and risk analysis throughout the supply chain.



Toward the reduction of environmental impacts

Toward Achieving Carbon Neutrality

Information Disclosure in Line with TCFD Recommendations

The Kyocera Group positions climate change as one of the most important management issues, and since March 2020, we have expressed support for TCFD, while establishing a governance structure, strategy, risk management, and setting metrics and targets to promote climate change countermeasures.



Climate Change Countermeasures - Information
Disclosure Based on TCFD Recommendations -

Governance

The Kyocera Group Sustainability Committee (twice per year), attended by top management, deliberates and decides on climate change targets and countermeasures. Sustainability activities, including climate change countermeasures, are reported to the Board of Directors and shared at the International Management Meeting attended by the Group's management executives. Additionally, we have established a Long-term Environmental Target Promotion Task Force as a subordinate organization under the Kyocera Group Sustainability Committee to work toward achieving the Kyocera Group's long-term environmental targets.

Strategy

Based on information from the IPCC (Intergovernmental Panel on Climate Change) and others, the Kyocera Group uses the 1.5° C scenario¹ and 2.6° C scenario² to understand the impact on our business and changes in customer industries by 2030, and to analyze climate change-related risks and opportunities for the Kyocera Group. We also evaluate and analyze the financial impact of each of these risks and opportunities.

1 A scenario in which the global average temperature rises by 1.0-1.8° C above pre-industrial levels by 2100 (IPCC Sixth Assessment Report: SSP1-1.9)
2 A scenario in which the global average temperature rises by 2.1-3.5° C above pre-industrial levels by 2100 (IPCC Sixth Assessment Report: SSP2-4.5)

Major Business Impact Assessment

Category	Risk/ Opportunity	Operating Income Change	
		2.6° C Scenario	1.5° C Scenario
Manufacturing and Services	Rising carbon prices	-10 billion yen	-12 billion yen
	Rising energy prices	-15 billion yen	-15 billion yen
	Damage from natural disasters	-3 billion yen	-2 billion yen

Specific Initiatives to Reduce GHG Emissions in Scope 1 and 2

Countermeasures for Rising Carbon and Energy Prices

To implement greenhouse gas emission reduction measures, we divided the period from FY2020 to FY2031 into four phases, introducing visualization systems at each factory while promoting renewable energy adoption and strengthening energy efficiency in production equipment.

	Phase 1 FY2020-2022	Phase 2 FY2023-2025	Phase 3 FY2026-2028	Phase 4 FY2029-2031
Renewable Energy Introduction	On-site Installation of solar power generation equipment at domestic and overseas affiliated companies			
	Off-site Installation of domestic solar power generation equipment (self-consignment)			
		Off-site Supply and demand of domestic renewable energy electricity (PPA)		
Energy efficiency promotion	Introduction of waste heat recovery equipment			
	Introduction of top-runner utility equipment			
		Energy-efficient design and optimal operation of clean rooms		
		Energy visualization, improvement of production equipment efficiency		
	Shift away from petroleum fuels (conversion to natural gas, etc.), shift away from steam (electrification/water humidification)			Study of hydrogen and ammonia utilization

Energy efficiency promotion

To achieve a low-carbon society, it is important to break away from a structure where corporate growth is linked to increased fossil fuel consumption, and to achieve decoupling of growth and GHG emissions by reducing GHG emissions while growing the company.

Kyocera promotes reduction activities with everyone's participation, breaking down targets to the amoeba level and advancing rational initiatives that involve the quality assurance, manufacturing, and technical departments.

Energy visualization is essential for promoting energy efficiency. Through visualization, we can accurately track emissions by business division and product unit, and appropriately determine improvements for equipment with high usage. We will continue to visualize emissions by business division and strengthen improvements.



Factory energy usage monitoring screen

Toward the reduction of environmental impacts

●Renewable Energy Introduction

In terms of renewable energy implementation, we achieved ahead of schedule in FY2025 the goal we had set as one of our long-term environmental targets: Renewable Energy Implementation Target: Increase 20x by FY2031 (from FY2014 levels). In response, we have established a new target of Renewable Energy-derived Electricity Usage Ratio: 60% or more by FY2031 (RE60) and are continuing our efforts both domestically and internationally.

In addition to installing solar power generation systems on buildings and parking lot roofs within factory and office premises (on-site) both domestically and internationally, from FY2021 we have been promoting renewable energy electricity supply through the self-consignment system¹, which involves building solar power facilities on land outside our premises (off-site), and through PPAs² with power generation companies that handle solar, wind, and geothermal power.

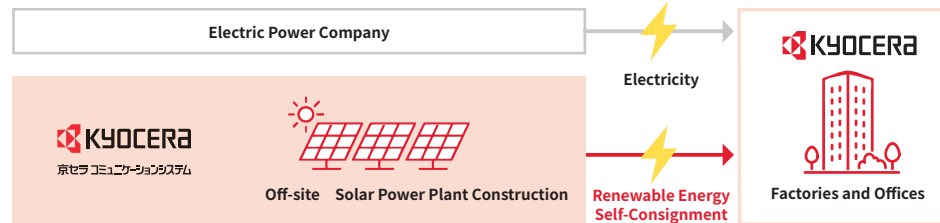
On-site: Carport installation at Shigayasu Plant



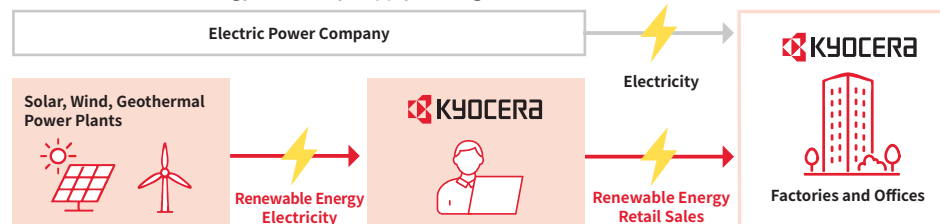
1 A system for supplying electricity generated at company facilities or off-site locations to other company facilities through the power transmission and distribution network of transmission and distribution operators.

2 Power Purchase Agreement: An electricity purchase contract concluded between a power generation company and a specific consumer.

Off-site: Renewable energy electricity supply through self-consignment



Off-site: Renewable Energy Electricity Supply Through PPA



100% Renewable Energy for Kyoto Head Office and Ten Domestic Locations

In October 2024, we achieved 100% renewable energy supply to Kyoto Head Office using non-FIT³ solar power and the renewable energy aggregation platform e.CYCLE⁴ provided by Machi Mirai Seisakusho Co., Ltd., ensuring power traceability. We replaced all electricity used at Kyoto Head Office with 100% renewable energy. Additionally, by October 2025, we will implement full renewable energy supply that we have procured ourselves to ten domestic locations. By replacing the electricity used with 100% renewable energy, we expect to reduce approximately 75,000 t-CO₂ annually, which is about 15% of Kyocera's total CO₂ emissions (including Kyoto Head Office). Going forward, we will continue to expand our efforts to procure and supply renewable energy at factories, offices, and sales offices nationwide, aiming to achieve a renewable energy ratio of 60% by FY2031.

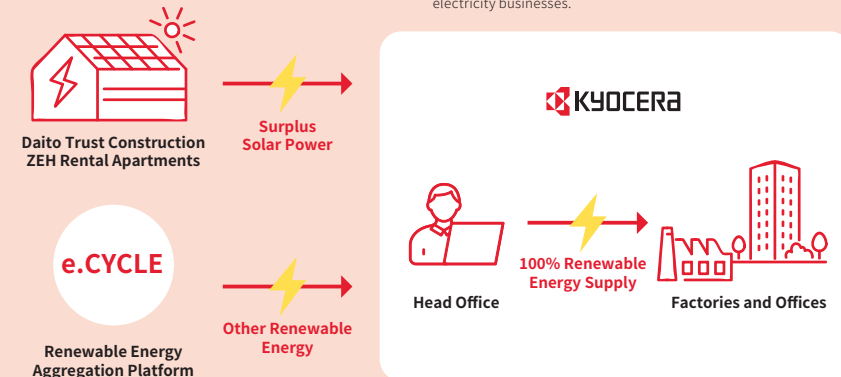
Locations That Have Achieved RE100

- Fukushima Koriyama Plant (Koriyama City, Fukushima Prefecture)
- Tokyo Hamura Office (Hamura City, Tokyo)
- Tokyo Ome Plant (Ome City, Tokyo)
- Yokohama Office Blocks 1 and 2 (Yokohama City, Kanagawa Prefecture)
- Kawasaki Plant (Kawasaki City, Kanagawa Prefecture)
- Nagano Okaya Plant (Okaya City, Nagano Prefecture)
- Kyoto Head Office (Kyoto City, Kyoto Prefecture)
- Keihanna Research Center (Soraku District, Kyoto Prefecture)
- Kagoshima Hayato Plant (Kirishima City, Kagoshima Prefecture)

³ FIT is an abbreviation for the Feed-in Tariff system for renewable energy, a mechanism whereby electric power companies purchase renewable energy at a fixed price for a certain period.

⁴ A service provided by Machi Mirai Seisakusho Co., Ltd. that enables local production for local consumption and inter-regional distribution of renewable energy from various regions through retail electricity businesses.

Electricity Supply Scheme



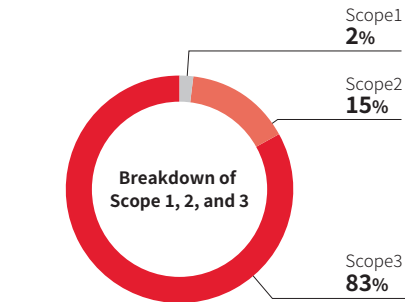
Toward the reduction of environmental impacts

Specific Initiatives to Reduce Scope 3

GHG Emissions

Of the Kyocera Group's GHG emissions, Scope 3 accounts for approximately 83%. Category 1 (purchased products and services) in particular accounts for a large proportion, so going forward we will work on reduction activities through collaboration with suppliers.

In FY2026, we plan to provide opportunities to explain Kyocera's approach to climate change issues to major suppliers, receive information on Scope 1, 2, and 3 for products supplied to Kyocera, and reflect this in Category 1 calculations.



ESG Data Collection: Greenhouse Gas Emissions

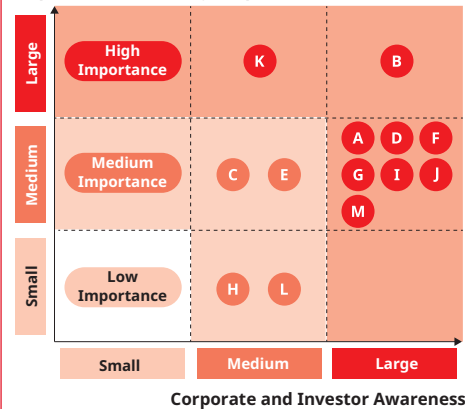
Carbon Footprint Initiatives

In terms of carbon footprint, which indicates CO₂ emissions across the lifecycle of each product, we are advancing the establishment of internal calculation rules to respond to European regulations and customer requirements, and have started trial calculations focusing on finished products.

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 level, and 2) impact level. We then categorize each risk by priority: high, moderate, or low.

Impact as Perceived by Corporations and Investors



Items	
A	Carbon pricing
B	National carbon emission targets
C	Energy efficiency policies
D	Renewable energy and other subsidy policies
E	Recycling regulations
F	Spread of next-generation technologies in electronic components and semiconductors
G	Spread of next-generation technologies in energy-related businesses
H	Increases and decreases in prices of key products
I	Changes in consumer reputation for electronic components and semiconductors
J	Changes in consumer reputation for energy-related businesses
K	Changes in investor and consumer reputation
L	Changes in precipitation patterns, rising average temperatures
M	Intensification of extreme weather events

Metrics and Targets

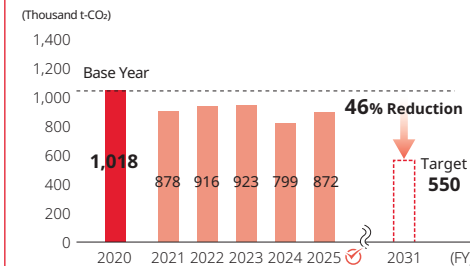
In 2018, we set long-term environmental targets at the 2°C level and received SBT* certification in 2019. Subsequently, in 2021, we updated to 1.5°C level long-term environmental targets and obtained SBT certification in May 2022.

In terms of the renewable energy implementation target, since we achieved it in FY2025, we reviewed the metrics and newly set a target (RE60) to achieve a renewable energy-derived electricity usage ratio of 60% or more for the entire Kyocera Group by FY2031.

*SBT: An abbreviation for Science Based Targets, an international initiative that serves as a benchmark for greenhouse gas emission reduction targets set by companies

GHG Emissions (Scope 1, 2) Emission Reduction Target (1.5° C level)	FY2031 SBT Certification 46% reduction (from FY2020 levels)
GHG Emissions (Scope 1, 2, 3) Emission Reduction Target (1.5° C level)	FY2031 SBT Certification 46% reduction (from FY2020 levels)
Renewable Energy Implementation	FY2031 Achieved in FY2025 20x (from FY2014 levels)
Renewable Energy-Derived Electricity Usage Ratio	FY2031 New Target RE60
Carbon Neutrality	Achieved in FY2051

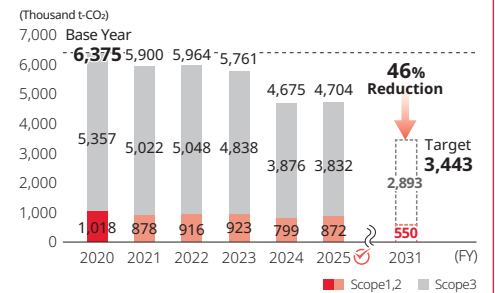
GHG Emissions (Scope 1, 2)



Scope 1: Direct emissions from fuel use

Scope 2: Indirect emissions from the use of electricity and heat purchased from external providers

GHG Emissions (Scope 1, 2, 3)



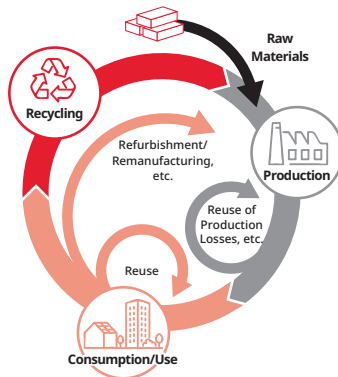
Scope 3: Indirect emissions other than Scope 1 and 2 (raw material procurement, transportation, use, disposal, employee commuting, business trips, etc.)

Toward the reduction of environmental impacts

Toward Building a Circular Economy

Connecting waste and resource needs from various departments created through diversification

In recent years, interest in the circular economy, which effectively circulates resources, has been growing, and movements toward legislation and standardization have become active in countries around the world. The Kyocera Group also recognizes the transition to a circular economy as an important management issue, and within our diversified business structure, we organically connect waste and by-products generated in each department with the resource needs of other departments, promoting resource circulation throughout the Group. In addition to horizontal recycling that returns waste to its original use, we are promoting effective resource utilization throughout the entire product lifecycle, including the use of cascade recycling that reuses materials at a lower quality level, and product design premised on recycling and reuse. We are also advancing technology development in collaboration with government, universities, local communities, and industry, and will continue to strengthen our efforts toward building a sustainable circular economy including the supply chain.



Initiative 1: Recycling Waste PET Film into Product Parts

Waste PET film generated during the production process of ceramic products has been difficult to reuse due to attached substances in the process, so it has traditionally been incinerated (thermal recycling), which posed a challenge of large CO₂ emissions. To address this challenge, we were the first in the industry to establish* technology to convert waste PET film into recycled PET material and upcycle it (reuse for higher-value applications) into parts for multifunction devices and printers.

Rather than relying on incineration, by collecting and reusing these materials to create new products, we reduce waste and CO₂ emissions while also reducing the use of new plastic. This is an excellent example of resource circulation within the Group, and we are advancing initiatives aiming to expand to exterior parts and increase the proportion of recycled materials in the future.

*As of September 30, 2024, according to KYOCERA Document Solutions Inc.



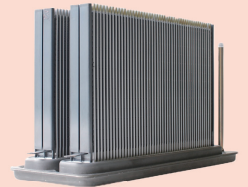
PET Film (Image)

Initiative 2: Developing Proprietary Technology to Recover Rare Earths from Fuel Cells

Kyocera is working on recycling that involves collecting used fuel cells and extracting rare earths (yttria) from the cell stack, which is the heart of the fuel cell. We have been conducting research with Kagoshima University and have established proprietary technology to dissolve the ceramic components of the cell stack in a special liquid and separate and recover yttria. We aim to recycle rare earths as much as possible and are advancing the practical application of a resource recovery process that is viable both in terms of cost and technology.



Fuel Cell



Cell Stack



Rare Earth (Image)

Initiative 3: Recovering Carbon Through Carbonization of Waste Sludge

Sludge generated during the manufacturing process contains carbon components that originally have value as energy and materials, but processing has been difficult, and this material has traditionally been disposed of by incineration or landfill.

Kyocera is working on technology development to carbonize this sludge and reuse it as a carbon material such as activated carbon. This initiative shows strong potential as a way to simultaneously achieve not only waste reduction but also suppression of CO₂ emissions and resource circulation.



Carbon

*ENE · FARM is a registered trademark of ENEOS Corporation, Osaka Gas Co., Ltd., and Tokyo Gas Co., Ltd.

Toward the reduction of environmental impacts

Toward Contributing to Nature Positive

Minimizing the burden on the natural environment and promoting biodiversity conservation by protecting and nurturing nature

The Kyocera Group has responded to TNFD (Taskforce on Nature-related Financial Disclosures), an international initiative, since its launch in 2021. TNFD requires companies to disclose their dependence on and impact on the natural environment, as well as risks and opportunities, and recommends the LEAP approach as a process for evaluating these factors using scientific evidence. Based on this, the Kyocera Group is advancing initiatives such as establishing a governance structure, identifying dependencies on and impacts on natural capital, business strategy, evaluating risks and opportunities, and setting metrics and targets.

● Environmental Conservation Initiatives

When constructing factories, Kyocera conducts optimal design according to the factory’s location conditions to minimize the impact of corporate activities on ecosystems and biodiversity. At the currently under-construction Nagasaki Isahaya Plant, we are implementing factory construction while working to conserve the environment in cooperation with local government agencies. Additionally, at KYOCERA Communication Systems Co., Ltd., before implementing solar power plant construction work, we conduct advance confirmation using our own checklist regarding environmental and disaster prevention considerations and understanding of local residents. Based on these results, we conduct reviews from multiple perspectives at internal review meetings regarding whether to proceed with construction, striving for a higher level of environmental conservation and coexistence with local communities.

● Biodiversity Conservation

In addition, the Kyocera Group conducts initiatives such as Kyocera Forestation activities to restore factory sites and regional forests to lush greenery, and ecosystem surveys conducted with external organizations. Going forward, we will continue to aim for harmony between business activities and the natural environment, contributing to the realization of a nature-positive society.



Forestation activities

Ecosystem Survey Within Plant

At the Shigayasu Plant, we conducted an ecosystem survey jointly with an external organization covering the main green spaces including the biotope within the factory premises, with the aim of using the results as guidelines for future conservation activities. As a result of surveying plants, insects, birds, and aquatic organisms, we found that the biotope and factory green spaces contain native species, rare organisms, and tree species native to the region, serving as valuable habitats in the surrounding area. Additionally, we discovered a colony of larvae of the rare insect *Celtisaspis japonica*, which is designated as an important species for distribution in the Shiga Prefecture Red Data Book and as a near-threatened species in the Ministry of the Environment Red List. We will continue to utilize the survey results to advance effective activities that contribute to conservation of regional biodiversity.

Response to Water Risks

The responsibility we must fulfill as users of precious resources that circulate the Earth

The Kyocera Group uses large amounts of water for cooling, heating, and cleaning at factories both domestically and internationally, and water resources are essential for the sustainable growth of our business. For sustainable water use, in addition to managing water intake and discharge, we conduct water risk surveys at each location to quantitatively evaluate the impact on the surrounding environment and nature. As a result, in FY2025, there were two locations with high water risk, with a total water intake of 4,604 thousand m3, accounting for 29% of the Group’s total water intake. We have set three-year medium-term reduction targets for locations identified as having high water risk. To achieve these targets, we have set annual targets and are reducing water intake through initiatives such as reusing treated wastewater as cooling water for cooling towers and utilizing water recycling devices to reuse process wastewater. Through these measures, the Kyocera Group aims to balance sustainable water resource use with the needs of our business.

FY2025 Target	Implementation of measures to reduce water intake by 54,000 m³
FY2025 Results	Implementation of measures to reduce water intake by 81,600 m³
Medium-term Target	Implementation of measures to reduce water intake by 561,000 m³ over three years from FY2025 to FY2027

● Response to Water Risks

7-3

Inclusive Society We Aim to Realize Respect for human rights

The Kyocera Group promotes corporate activities toward creating a sustainable society, and based on the judgment criterion of the Kyocera Philosophy of “What do we consider to be the right choice as a human being?” we believe that respecting the human rights of all people involved in the entire value chain is the most important responsibility that companies must fulfill, and we are strengthening our efforts in this area.

Kyocera Group Human Rights Policy

Establishing a human rights policy that the Kyocera Group should pursue based on internationally recognized standards

The Kyocera Group not only complies with laws in each country but also implements initiatives in accordance with international standards such as the United Nations’ Universal Declaration of Human Rights and the International Labour Organization’ s (ILO) Fundamental Human Rights Conventions. In August 2024, we revised the Kyocera Group Human Rights Policy in accordance with the UN Guiding Principles on Business and Human Rights. This policy covers not only employees but the entire value chain, including suppliers and partner companies, and we seek understanding and compliance from all stakeholders.

What we aim for is not merely achieving compliance, but building a sustainable society where human rights are respected together with employees, partner companies, and local communities, based on the judgment criterion of the Kyocera Philosophy: “What do we consider to be the right choice as a human being?” To this end, against the backdrop of international trends and requests from suppliers, we are further strengthening our previous voluntary efforts to secure the trust that serves as the “business license” for a global company.



Kyocera Group Human Rights Policy (Overview)

Basic Philosophy

Respecting the human rights of all people involved in the entire value chain is the most important responsibility that companies must fulfill, and each employee acts with the judgment criterion of the Kyocera Philosophy, “What do we consider to be the right choice as a human being?” to contribute to progress and development toward a society where all people’s human rights are respected

Scope

All employees of the Kyocera Group and all business partners including suppliers

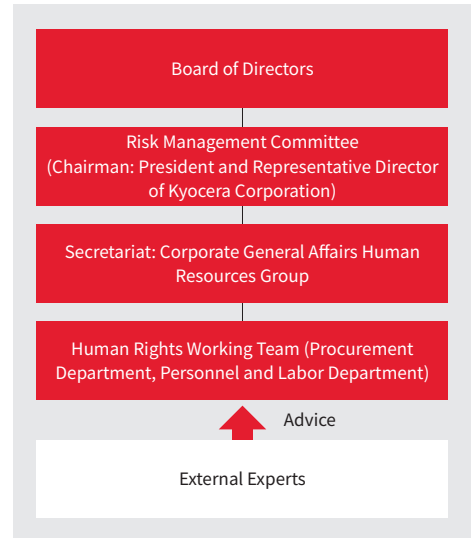
Basic Policy

- In accordance with the United Nations Guiding Principles on Business and Human Rights, the Kyocera Group strives to prevent violations of human rights in our business activities.
- We will fulfill our responsibility to respect human rights by taking appropriate action to correct any adverse impact on human rights.
- We respect the human rights defined by the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and we support international standards, including the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.
- We comply with applicable laws and regulations in the countries and regions where we conduct business. However, if there is a discrepancy between national law and internationally recognized human rights principles, we adhere to the higher standards and seek ways to maximize respect for internationally recognized human rights.
- We neither tolerate nor contribute to threats, intimidation, or attacks against human rights defenders who strive to protect and promote human rights in a peaceful manner.

● Promotion Structure Supporting Human Rights Respect

At Kyocera, we have incorporated human rights respect efforts into our risk management structure and promote them under the supervision of the Board of Directors. The Risk Management Committee, chaired by the President, manages company-wide progress and identifies human rights risks as one of our corporate risks. We are working in collaboration with our personnel and labor departments, procurement departments, and Group companies.

In FY2023, we established a Human Rights Working Team to practice PDCA based on internal and external specialized knowledge. In the future, we will build a structure where Group companies act autonomously to advance risk assessment and remediation.



Human Rights Due Diligence

Identifying and evaluating human rights risks in business activities and the value chain

The Kyocera Group implements human rights due diligence based on the UN Guiding Principles on Business and Human Rights for the purpose of preventing human rights violations in business activities and the value chain.

In FY2025, we conducted questionnaire surveys targeting on-site contractors (cafeteria operations, waste management, logistics operations) and suppliers, and conducted on-site visits to companies judged to have high risk. While no serious human rights violations were confirmed, we found that some companies needed improvement in working hours management and leave systems, and we requested remediation.

From FY2026, we are expanding the scope of surveyed suppliers and further deploying human rights due diligence efforts to Group locations including overseas. Going forward, we plan to strengthen our structure in consideration of international regulatory trends (such as the EU Corporate Sustainability Due Diligence Directive). Rather than one-time surveys, by establishing improvement cycles, we will realize respect for human rights throughout the supply chain.

Human Rights Due Diligence Process

① Identifying Salient Human Rights Issues

To identify human rights risks in business activities and the value chain, we conduct country risk assessments (legal systems and human rights situations in operating countries) and industry risk assessments (industry-specific issues). From the identified risks, we extract **13 salient human rights issues** based on severity and frequency of occurrence.

② Actual Survey and Human Rights Impact Assessment

Through questionnaire surveys and on-site visits to Group companies and major suppliers, we understand the actual situation and evaluate actual negative impacts on human rights.

③ Consideration and Implementation of Remedial Measures

Through on-site visits and dialogue with suppliers, we conduct fact-finding and request improvements. When necessary, we request reviews of employment regulations and management systems, and follow up to prevent recurrence.

④ Monitoring and Information Disclosure

We regularly confirm improvement status and report important progress both internally and externally. We disclose information in integrated reports and on our website and use it for dialogue with stakeholders.

13 Salient Human Rights Issues

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

Prevention and Mitigation Efforts

Realizing a work environment where people can work with peace of mind through education, awareness activities, and establishing consultation systems

The Kyocera Group advances workplace development where employees can work with peace of mind, based on the principle of “What do we consider to be the right choice as a human being?”

● Human Rights Education and Awareness

We designate May each year as Morality Month and conduct training for all employees on themes of respect for human rights and prevention of harassment. We work to raise awareness so that each employee respects one another and maintains a healthy workplace environment. Furthermore, for managers, we conduct training incorporating case studies to enhance their ability to make appropriate responses in the workplace.

● Establishing Consultation Systems

In addition to internal contact points that can be used anonymously, we have established external consultation contact points operated by third-party organizations and built a grievance mechanism system that takes appropriate action with consideration for privacy.

We have also opened hotlines for external stakeholders such as suppliers. Inquiries received are resolved through prompt fact-finding and remedial measures, and we implement recurrence prevention measures.

Ensuring an environment where employees can continue to work with peace of mind through such mechanisms connects to the management philosophy of the Kyocera Group. Going forward, we will continue to improve our consultation systems and realize workplaces where everyone can work comfortably.

7-4

Inclusive Society We Aim to Realize

Ensuring a Sustainable Supply Chain

Aiming to achieve the Kyocera Group's Management Rational - **"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 have established a basic policy for purchasing to realize fair business activities in unity with our business partners to ensure fair and transparent transactions throughout the supply chain.

Policy on Procurement

Promoting due diligence and aiming for coexistence and co-prosperity throughout the supply chain

As a member of the Responsible Business Alliance (RBA), Kyocera strictly adheres to the RBA Code of Conduct while promoting procurement that prioritizes the sustainable development of both the Kyocera Group and the society that we serve.

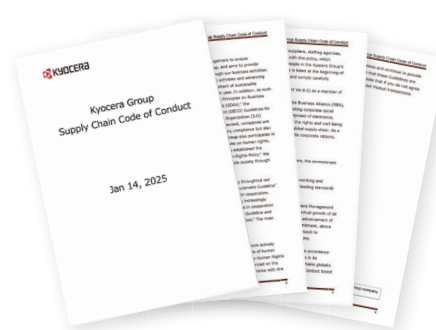
The companies we work with are important partners that provide valuable support for value creation within the Kyocera Group. We firmly believe that by cooperating with all companies involved across the full range of business processes, including development, production, sales, and service, to meet the needs of society, we can effectively achieve coexistence and co-prosperity throughout the supply chain. We focus on building partnerships based on mutual trust through active communication, with an emphasis not only quality and delivery time, but also compliance, respect for human rights, and environmental protection.

● Declaration of Partnership Building

In 2024, Kyocera revised its Declaration of Partnership Building to include all suppliers. In addition, the Group developed a human rights due diligence structure in accordance with the UN Guiding Principles on Business and Human Rights to reduce risks to human rights in supply chain.

● Responsible Business Conduct Guidelines

In 2008, the Kyocera Group has established responsible business conduct guidelines to provide proper responses to sustainability issues that should be addressed throughout the supply chain, including responsible mineral procurement, respect for human rights, establishment of business continuity plans (hereafter BCPs) for emergencies. However, as the expectations expressed by the customers and society we serve have become increasingly diverse and complex, it is essential for us to further update the guidelines to respond to a wider range of requests through cooperation with partner companies. In January 2025, we revised the "Kyocera Group Supply Chain Code of Conduct" to ensure a more sustainable supply chain. Our partner companies have also concluded basic business agreements containing provisions specified by the guidelines.



● Supply Chain Survey

In accordance with the "Kyocera Group Supply Chain Code of Conduct", the Kyocera Group conducts annual supplier surveys of practices affecting human rights and labor, the environment, health and safety, fair trade and ethics, quality and safety, BCPs, information security, and other areas. In FY2025, in addition to major business partners, we conducted a survey of on-site contractors and some overseas business partners. Beyond this, we conduct on-site audits of companies that are judged to be at high risk, and we engage in direct dialogue with them on site. In FY2025, a survey of 341 companies was conducted. We provided feedback on the results to six companies identified as high risk, and asked for reports on corrective action plans for improvement. Corrective action was taken within 12 months by all six companies.

Number of partner companies surveyed	341
Number of partner companies judged to be at high risk	6
Improvement ratio of partner companies we asked for corrective action plans	100%

7-5

Inclusive Society We Aim to Realize

Improvement of stakeholder engagement

Kyocera's Corporate Motto **"Respect the Divine and Love People"** is a philosophy of respecting the divine and loving people. For companies, this means **valuing harmony with society and nature and respecting all stakeholders**.

In an era of increasing uncertainty, the Kyocera Group will nurture trust with stakeholders centered on the spirit of **"Respect the Divine and Love People,"** and by creating value together, we will realize sustainable growth for both society and the company.

Stakeholders	Purpose	Methods	FY2025 Results	Response Status
Customers	<ul style="list-style-type: none"> ● We aim to improve customer satisfaction by providing higher quality products and services to the diverse customers of the Kyocera Group. 	<ul style="list-style-type: none"> ● Customer support ● Disclosure on website ● Information exchange at stores and exhibitions ● Customer Service Office 	Number of inquiries: 3,895	<ul style="list-style-type: none"> ● We have established a customer service office and aim to improve customer satisfaction by responding sincerely, correctly, and promptly to inquiries, consultations, and complaints from customers.
Employees	<ul style="list-style-type: none"> ● We have established "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 our management philosophy, and we create an environment where employees can experience fulfillment and achievement through their work. 	<ul style="list-style-type: none"> ● Workplace Vitality Assessments ● Dialogue through company newsletters and intranet ● Round-table discussions with management 	Workplace Vitality Assessment response rate: 95.6% (Subjects: 30,022 employees) Round-table discussions: 2 times	<ul style="list-style-type: none"> ● We conduct Workplace Vitality Assessments for employees with the purpose of leading to improved workplace vitality. ● We hold round-table discussions where employees and management exchange opinions.
Shareholders and Investors	<ul style="list-style-type: none"> ● While actively disseminating information, we feed back opinions and requests from shareholders and investors to management and relevant internal departments, leading to management improvements and identification of important issues that the Kyocera Group should address. 	<ul style="list-style-type: none"> ● General Meeting of Shareholders ● Financial results and business summary briefings for institutional investors ● Company information sessions with individual investors ● One-one-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. 440 participants One-one-one meetings: approx. 350 times Company information sessions with institutional investors: Once, approx. 590	<ul style="list-style-type: none"> ● 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 company information sessions for individual investors in addition to providing access to archives and posting videos on its official website.
Business associates	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● Seminars and social gatherings with suppliers ● Dialogue through procurement activities ● Surveys on sustainability activity status 	Seminars and social gatherings with suppliers: 272 participants from 232 companies Response rate: 100% (Subject companies: 341)	<ul style="list-style-type: none"> ● 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.
Local communities	<ul style="list-style-type: none"> ● 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. 	<ul style="list-style-type: none"> ● Social contribution activities ● Dialogue with local residents and businesses 	Off-site classes on environment and energy: 1,700 participants Participants in briefing sessions: 112 participants	<ul style="list-style-type: none"> ● 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.

An abstract geometric background on the left side of the page, composed of many overlapping triangles in shades of red, orange, yellow, and blue. A large, white, stylized number '8' is centered within the upper portion of this background.

8

Our Management

1.Capital Strategies	P.58
2.Risk Management and Business Continuity Plan (BCP) Initiatives	P.60
3.Compliance	P.62
4.Digital Transformation	P.63

8-1

Our Management

Capital Strategies

The Kyocera Group aims to achieve double-digit pre-tax profit margin, sustainable growth, and improvement of ROE to become a highly profitable company. In order to achieve these goals, Kyocera is implementing reforms in both business and capital strategies.

In regard to capital strategy, we are promoting the reduction of cross-shareholdings to improve capital efficiency, and utilizing proceeds obtained from share sales for growth investment.

In addition, through systematic share repurchases, we are further optimizing capital composition and enhancing shareholder returns.

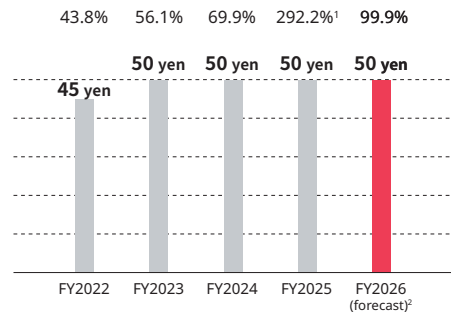
Shareholder Returns

Striving to maintain a sound financial condition as well as high-level shareholder returns

● Basic Profit Distribution Policy

Kyocera Corporation believes that the best way to increase corporate value and meet shareholders' expectations is to improve 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 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 has also adopted policies to ensure its sound financial condition, and for this purpose it sets aside other general reserves in preparation for the creation of new businesses, the cultivation of new markets, the development of new technologies and acquisition, as necessary, of outside management resources to achieve stable and sustainable corporate growth. In addition to the above, the Company will implement acquisitions of its own shares within a certain range based on cash flow, when appropriate, as a powerful mechanism for enhancing returns to the shareholders.

Payout Ratio (above) and Dividend per Share (below)



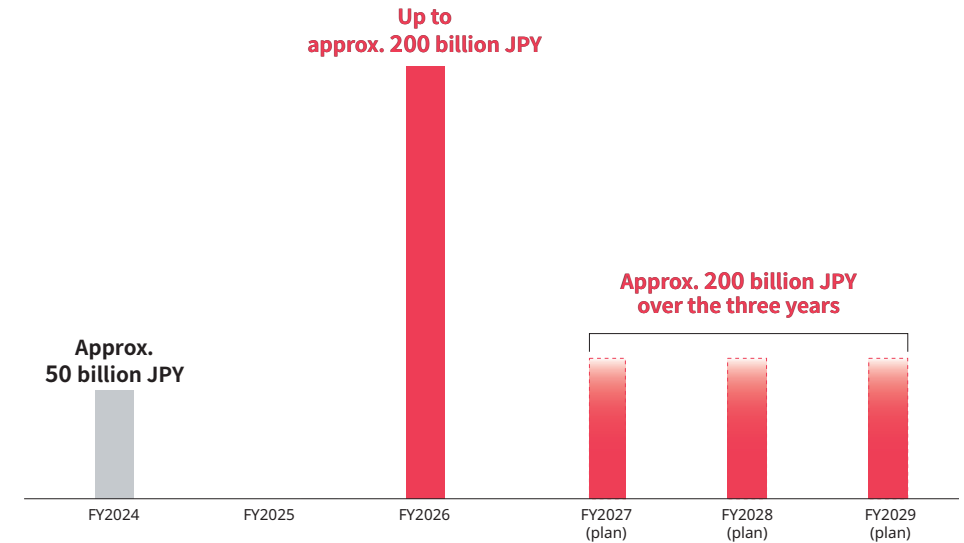
¹ Includes one-time cost of approx. 48 billion JPY in the profit attributable to owner of the parent.
² As of May 2025

● Dividends and Share Repurchases during the Year Ended March 31, 2025 and the Year Ending March 31, 2026

Since the fiscal year ended March 31, 2025, Kyocera has been implementing significant structural reforms, including a review of business strategy. Taking account of Kyocera's financial base, we believe it will be possible to continue providing stable dividends. Therefore, although the dividend per share for the fiscal year ended March 31, 2025 exceeded the level specified by the basic profit distribution policy, we continue to prioritize the stable distribution of dividends by setting the rate at 50 yen, the same amount as that for the previous year (on a post-share-split basis). In order

to maintain the high level of shareholder returns, the forecasted dividend per share for the fiscal year ending March 31, 2026 will also be 50 yen. In addition, to further optimize capital composition and enhance shareholder returns, Kyocera has been conducting one of the largest share repurchases, an amount up to 200 billion JPY in the fiscal year ending March 31, 2026. In and after the fiscal year ending March 31, 2027, we are planning total share repurchases of 200 billion JPY for the three years in consideration of the balance with future growth investment, etc.

Share Repurchase Plan



Cross-Shareholdings

Promoting the reduction of cross-shareholdings aiming to optimize capital composition

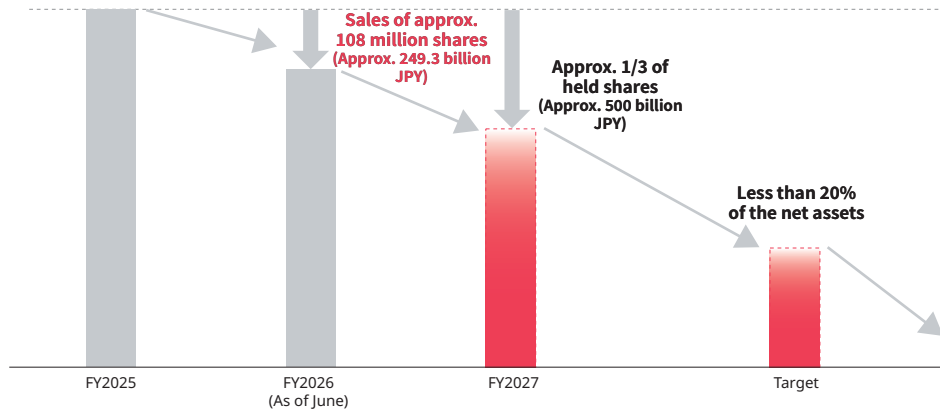
Kyocera Corporation engages in cross-holding or unilateral holding of shares with the objective of improving our corporate value in the medium to long-term, focusing on corporate growth through maintenance of business relationships, realization of profits through shareholdings, and the social significance 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 and accordingly, it has been reduced such shareholdings. Furthermore, 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, and

sold approximately 3% on a book value basis in two-year period from the fiscal year ended March 31, 2024. Since founding Daini Denden Inc. (current KDDI Corporation), Kyocera has held KDDI shares, and as a result of the business development of KDDI, the value of KDDI shares as well as the value of such shares within the Company's net assets has increased. However, reflecting significant changes in the business conditions of both the Company and KDDI, the Company has decided that it is the time for it to review its holding of KDDI shares. 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 KDDI shares, in addition to borrowings using KDDI shares as collateral. In addition, the Company recognizes the

necessity to implement corporate reform in a further timely manner. Based on these determinations, the Company made an announcement on February 3, 2025, that one-third of KDDI shares held by the Company (approximately 500 billion JPY at the stock price level at that time) will be sold over the next two years, and the Company will further reduce its holdings of these shares thereafter.

As a part of the above-mentioned sale of the shares, the Company accepted the tender offer for shares made by KDDI and applied to sell approx. 249.3 billion JPY worth (approx. 108 million shares) of KDDI shares on June 13, 2025. The Company also announced a future target for reducing cross-shareholdings of less than 20% of net assets. Kyocera will continue to implement measures for further optimization of its capital composition.

Results and Plans Regarding Reduction of Cross-Shareholdings



8-2

Our Management

Risk Management and Business Continuity Plan (BCP) Initiatives

In order to survive in the “VUCA”¹ phase, we believe that **it is important to respond to risks by following the principles of the Kyocera Philosophy and asking “What is the right thing to do as a human being” as the basis for judgment.**

By actively promoting risk management and BCP activities throughout the Kyocera Group, we enhance the resilience of management and contribute to the sustainable growth and development of the Group.

¹VUCA is an acronym for “Volatility,” “Uncertainty,” “Complexity” and “Ambiguity,” a concept that represents the unpredictable situations of our time

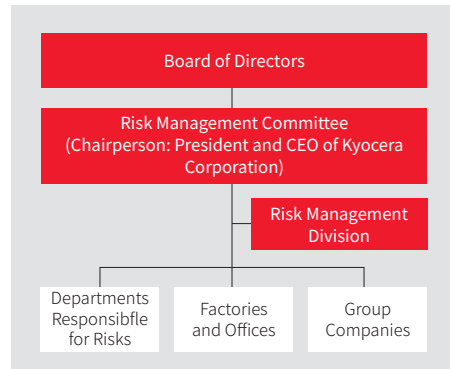
Dedicated departments and committees work together to implement PDCA for key risks

● Risk Management Structure

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 to reinforce our risk management structure.

● 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.



In the event of a disaster or serious incident, we work with the relevant departments to promote prompt recovery

● 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 an 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.

Risk Management and Business Continuity Plan (BCP) Initiatives

Corporate Risks in the Kyocera Group

Risk Classifications	Details of Risks	Major Responses
Risks related to International Business Activities	<ul style="list-style-type: none"> ● 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 and increases in tariffs, due to political, geopolitical, or economic factors affecting international business operations 	<ul style="list-style-type: none"> ● Proactively enact risk prevention measures such as the monitoring of risks in individual countries and regions, and preventing leakage of important technical information ● Collect information on regulatory changes regarding investment and profit repatriation promptly, and implement appropriate measures, such as evacuating company assets from the relevant countries
Risks related to Human Rights	<ul style="list-style-type: none"> ● Potential exposure to legal and/or reputational risks due to the growing global emphasis on human rights, which requires consideration not only within the company but also throughout the supply chain 	<ul style="list-style-type: none"> ● 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 ● Revised the Kyocera Group Human Rights Policy to strengthen initiatives related to respect for human rights and align with international guiding principles ● 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 Related to Information Security	<ul style="list-style-type: none"> ● Risk of damage from information leakage, falsification, loss, or business interruption due to hardware or software failure or cyberattack ● Reputational risks and loss of business competitiveness caused by breach, loss or hacking 	<ul style="list-style-type: none"> ● Improve rules regarding information security ● Provide education to employees, enhance security measures for networks and IT assets, etc., and reinforce business continuity plans (BCP) to establish rapid recovery measures ● Formulated the “Kyocera Group AI Ethics Principles” and established the AI Ethics Committee to promote the responsible development, provision, and utilization of AI
Risks of Difficulties in Securing Superior Human Resources	<ul style="list-style-type: none"> ● 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 Inclusion and Belonging 	<ul style="list-style-type: none"> ● 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 Inclusion and Belonging; implement flexible work system
Risks Related to Earthquakes and Other Disasters	<ul style="list-style-type: none"> ● Risk to business from large-scale disasters caused by unavoidable natural disasters such as earthquakes, typhoons, heavy rains, and flooding, equipment failures, and human error ● Risk to financial performance and business results of the Kyocera group from direct damage caused by disasters, and economic stagnation and slowdown in consumption resulting from disasters 	<ul style="list-style-type: none"> ● Develop BCP structures capable of handling large-scale disasters caused by natural disasters such as earthquakes, equipment failures, and human error; and implement precautionary measures ● In preparation for a potential disaster, formulate early recovery plans and alternative supply measures, and provide relevant education and training

8-3

Our Management Compliance

The Kyocera Group operates within a corporate culture guided by the 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 our approach has been attracting increasing social attention.

Global-scale Initiatives for Compliance with Anti-Corruption Regulations and the Antimonopoly Act

To further emphasize the importance of compliance within the Group and among external stakeholders, we established the Kyocera Compliance Statement. This statement describes 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, in regard to the handling of personal data, which has been reinforced in many countries and regions along with the advancement of AI and other digital technologies as well as the progression of the information society, Kyocera Group companies initiated a program to continuously monitor data collection and retention practices to ensure strict compliance.

In response to expanding anticorruption laws and regulations, which have impacted even well-known global corporations, we 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 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, we monitor each Group company on an ongoing basis and provide 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.

Global Five-Region Collaboration Structure for the Effective Advancement of Compliance

Our proactive M&A strategy has seen the number of Kyocera Group companies grow to around 300, and the Kyocera Group works in unison on group-wide global activities. 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. It is also essential to build a network for the effective advancement of compliance with Group companies and to prompt collaboration in response to emergencies through information sharing. 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.

Global Five-Region Collaboration Structure for Legal and Intellectual Properties

United States	Europe	China	Asia-Pacific	Korea and Japan
---------------	--------	-------	--------------	-----------------

Dividing the globe into five regions and promoting compliance in cooperation with operating companies in individual regions



Strengthening Cooperation Among Related Divisions and Manufacturing Sites to Ensure Compliance

● Compliance Conference

To promote compliance at each business site, Kyocera Corporation appointed compliance leaders in each business segment and holds conferences twice yearly with allied divisions and domestic partner companies as well as compliance leaders. These conferences help us 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 this month, the Group emphasizes enlightenment and education regarding compliance for all employees. To heighten employee awareness of the importance of compliance activities, we publicize messages from the president, thoroughly disseminate key priorities at morning meetings, and provide e-learning exercises to all employees. Furthermore, to promote interactive communication, Kyocera established a consultation desk that enables employees to consult about compliance via chat.

● 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. We continuously review and revise the content to reflect changes in laws and the social climate to foster and increase employee awareness of compliance.

Materiality issue

Coexistence with society Thorough compliance

Coexistence with the global community Promoting global management

8-4

Our Management

Digital Transformation

The Kyocera Group considers digital transformation (DX) to be a means to realize its management strategy, and is advancing group-wide digital transformation. Supporting this movement is one of the principles of the Kyocera Philosophy, “**Management by All,**” which Kyocera has cherished since its foundation. Rather than limiting the function of DX to simply introducing tools and systems, we are continuing to strengthen the foundation of “The Company” by positioning DX as a trigger to foster a culture in which employees routinely collect the required data and make decisions from a manager's perspective.

DX Strategy in Kyocera

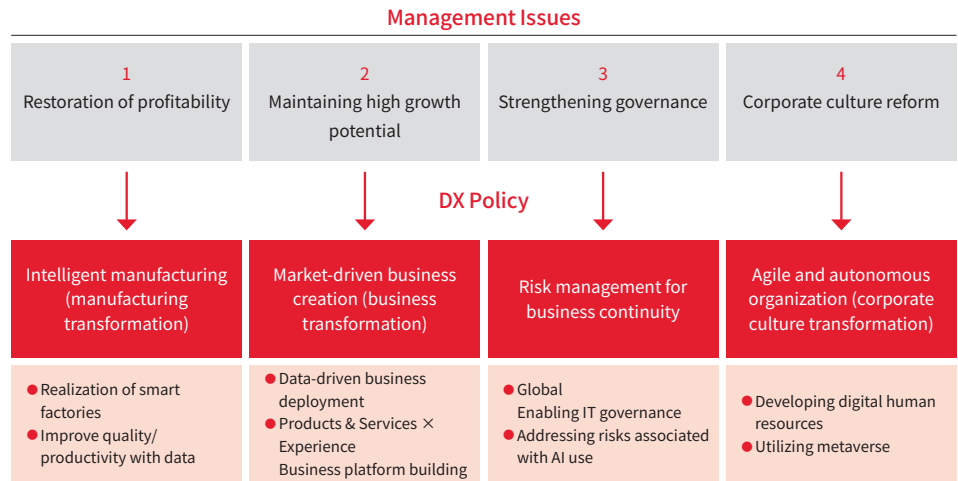
DX-driven corporate transformation for high profitability and growth strategy

There is an urgent need for business transformation throughout Kyocera. We are promoting company-wide digitalization and DX to respond to trends such as population decline, diversification of workstyles, other social issues, various risks, and to strengthen competitiveness.

At the same time, with the goal of maximizing the value we provide to our customers, we are promoting data-driven management and working to enhance the awareness of our employees and corporate culture. We will actively work on DX as a driving force for growing business.

● DX Strategy Policy

At Kyocera, we view DX as a means to realize our management strategy and are implementing DX measures based on the four management issues that must be addressed; namely, “restoration of profitability,” “maintaining high growth potential,” “strengthening governance,” and “corporate culture reform.”



① Intelligent Manufacturing (Manufacturing Transformation)

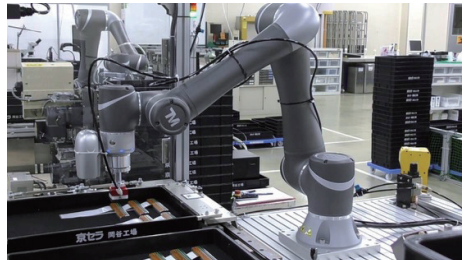
We are promoting labor saving and quality control using IoT data, including scrap and build of existing production lines, and this will include the production lines of the newly established factory. We are organizing a “Smart Factory Promotion Center” that integrates IT and OT (control technology) to contribute to the high profitability of manufacturing.

○ Realization of smart factories

We are expanding know-how related to the smart factories being promoting, from the solution segment to the core component segment, to realize the effective management of manufacturing conditions in ceramics and quality control throughout our in-house processes.

○ Improving quality and productivity through data

We are employing data analysis and AI for the predictive maintenance of equipment and the analysis of defect factors. Collaborative robots with AI-based object recognition functions are also being installed on our in-house production lines to enhance labor savings.



Utilization of collaborative robots at Nagano Okaya Plant

② Market-driven Business Creation (Business Transformation)

Through DX, in addition to developing businesses that provide products that are competitive in the market, we are also creating new business models that collect data generated from them to improve customer service.

○ Deployment into data-driven business

Kyocera Document Solutions Co., Ltd., which manufactures and sells MFP/printer equipment, provides cloud service for managing document data as standard on equipment used by customers (TASKalfa MZ7001ci series).

By providing new proposals and functions based on customer use as cloud services, we improve the level of service to users and create new business opportunities.



TASKalfa MZ7001ci series

In addition, Enezzar^{®1}, a semi-solid (clay) storage battery, enables the remote monitoring the charging and discharging status to suggest the optimal charging and discharging cycle according to emergency charging and lifestyle patterns in the event of a disaster.

Developing a business that improves service value with the power of digital for product users. This will lead to business expansion.



Enezzar control panel

Initiatives

Products & Services × Experience Building business platforms

We are building a system that connects Kyocera's products with the digital cloud platform being promoted by Kyocera Document Solutions Co., Ltd., which can also be provided to customers as a service business model.

This will enhance the Kyocera Group's product capabilities to more effectively meet customer needs.

- Enabling printer and MFP users to use a variety of useful software through the digital cloud platform to further improve efficiency
- Planning to utilize for other Kyocera's products and services, such as storage batteries, to expand services such as storage batteries in the works
- Providing a framework for disclosure to the outside and provide other companies' services to customers as well



③ Risk Management for Business Continuity

○ Realization of global IT governance

For the Kyocera Group, which has operations around the world, the control of IT systems at the global level is a very important theme. We are particularly focused on IT security, and advancing collaboration with group companies to achieve appropriate utilization. In terms of cybersecurity, we have established a CISO² system under the leadership of top management. By establishing a management system under SIRT³ and the Information Security Committee, we are enhancing risk management both internally and externally.

Items for Global IT Governance Implementation

1. Sharing Kyocera Basic Information Security regulations
2. Clarification of responsibilities and establishment of an information sharing platform
3. Establishment of a product line support system
4. Establishment of a local support system
5. Conducting regional meetings

1 Enezzar is a trademark of the Kyocera Corporation.

2 CISO : Chief Information Security Officer

3 SIRT : Security Incident Response Team

4 OECD : Organization for Economic Co-Operation and Development

○ Response to risks associated with AI use

While generative AI is a powerful tool for improving operational efficiency and creativity, it also carries risks such as information leakage, misinformation, and copyright infringement.

To avoid these risks and promote the appropriate use of AI, the Kyocera Group has established the following internal systems and guidelines.

Establishing the Kyocera Group AI Ethics Principles

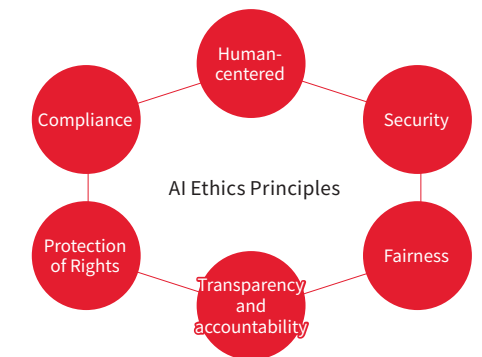
The Kyocera Group has established its own AI Ethics Principles based on the guidelines of the OECD⁴ and the Ministry of Economy, Trade and Industry.

Establishment of the AI Ethics Committee

To better manage risks and reach more effective decision making related to the use of AI, we have established the Kyocera Group AI Ethics Committee, which is responsible for reviewing development and use projects, developing rules, and planning internal training.

Formalization of Rules for Use

We have established guidelines for the in-house use of generative AI tools that clearly state the specific information that are prohibited to be entered by individual users (in-house confidential information, personal information, etc.), and require that users always check before use.



④ Agile and Autonomous Organization (Transformation of Corporate Culture)

○ Development of digital human resources

We provide education on data use throughout the Kyocera Group, including product manufacturing, development, sales, and business management, and encourage the application of data utilization platforms in all work-related activities. This allows for the early incorporation of product and quality data into operations, and enables early resolution of issues through more effective decision-making.

With the realization of such an agile and autonomous organization, we are developing operations at a pace that far exceeds that of the past as we transform corporate culture.

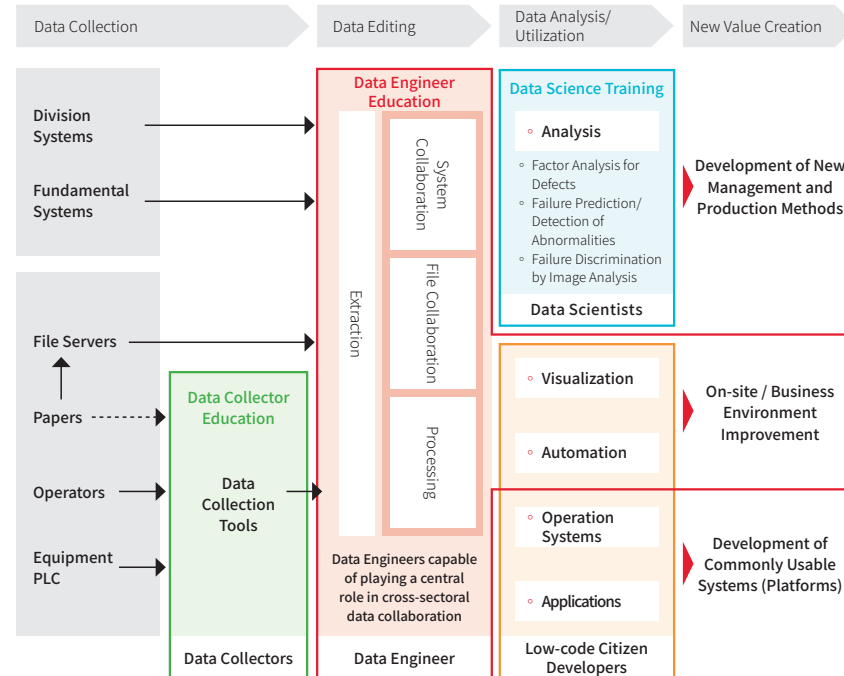
In training, we define human resources responsible for data acquisition, formatting, and analysis as "data collectors," "data engineers," and "data scientists," and develop an educational curriculum that allows them to acquire the necessary skills.

○ Utilization of the metaverse (Conveying the splendor of manufacturing)

Three years ago, Kyocera opened to the public five metaverse virtual worlds that highlight the wonders of Kyocera's manufacturing technology and the worldview it aims for.

Utilizing the metaverse to disseminate Kyocera's manufacturing technology is a new type of public relations platform in a virtual space that gives users an intuitive and immersive way to experience the appeal of products and processes.

When customers and young human resources in Japan and abroad interact with this leading-edge platform, they can't help but be impressed with our sophisticated technology and commitment to quality, and experience that enhances brand value and strengthens recruitment capabilities.



VOICE



Data Collector

Shunsuke Ikewaki

Dx Promotion Center

Corporate Digital Business Promotion Group

I've developed a device capable of easily collecting a wide variety of on-site data by inserting a uniquely developed program into an inexpensive general-purpose microcomputer. The system is capable of quickly collecting data at minimal cost, which contributes to product improvement.



VOICE



Data Scientist

Takuya Itoi

AI Technology Department

Corporate Digital Business Promotion Group

I've developed a system capable of expressing locations of defects identified by AI in colors three-dimensionally. This system visualizes the manufacturing device with the locations of defects to resolve problems. On-site knowledge and data science helped to achieve a significant improvement in yield rates.



VOICE



XR Engineer

Nao Tanaka

Sales Marketing Promotion Department

Corporate Digital Business Promotion Group

Many science and engineering students participated in the metaverse with positive feedback. Kyocera's manufacturing technologies are scientifically advanced, and the content of the metaverse is created with the input of engineers and information from academic studies.



9

Corporate Governance

1.Interview with the Outside Directors	P.67
2.Messages from Outside Directors & Outside Audit and Supervisory Board Members	P.70
3.Directors & Audit and Supervisory Board Members	P.71
4.Corporate Governance Structure	P.73
5.Composition of the Board of Directors	P.74
6.Initiatives to Strengthen Board Functions	P.75
7.Compensation for Directors & Audit and Supervisory Board Members	P.76

Interview with Outside Directors

The Kyocera Philosophy and Amoeba Management

With the Kyocera Philosophy and Amoeba Management driving corporate growth, we are establishing a structure that keeps pace with the times, revitalizes Kyocera from the inside out, and makes our enterprise shine.



Goro Yamaguchi
Chairman of the Board and
Representative Director

Eiji Kakiuchi
Outside Director

Shigenobu Maekawa
Outside Director

Junko Sunaga
Outside Director

A more advanced management structure can enable Kyocera to win the support of stakeholders both in Japan and internationally.

In order to achieve this, how can we sincerely incorporate external perspectives and opinions as we address new opportunities? In this section, Kyocera's outside directors and Chairman Yamaguchi exchanged viewpoints.

Kyocera Philosophy: Significance amid Challenges

Cherished as a code of conduct that guides correct behavior for each employee

Yamaguchi: What are your thoughts about the Kyocera Philosophy and its practice?

Maekawa: Kyocera's corporate culture is characterized by two management components: the Kyocera Philosophy principles and the Amoeba Management System, which form a unique and powerful combination. I am in complete agreement with the concept of each employee developing a manager's mentality. Nurturing this mindset is an important approach to ensuring sustainable growth.

Sunaga: I believe that the Kyocera Philosophy must be more than simply rules to be followed. It must be considered a guide to correct behavior. I feel that it's important for all employees to recognize the Kyocera Philosophy as a fundamental guide for how we think and act. The fact that "doing the right thing" is at the center of our management philosophy and that it is an essential part of the company's DNA is wonderful in itself. Even more, though, I see it as being the driving force behind what makes the company shine.

Kakiuchi: How to live by the principle to "Do the right thing" is at the core of the Kyocera Philosophy. In recent years, more and more companies are trying to clarify their reason for existing with so-called "purpose management," but Kyocera has clearly stated its purpose from the very beginning. That in itself is of great significance. On the other hand, I feel that the challenge for Amoeba Management is how it must evolve to meet the current times.

Yamaguchi: If we ever determined that Amoeba Management methods were no longer suited to current business realities, then the methods should be modified. Even then, however, we must not change the fundamental "Management by All" approach. Amoeba Management is a system that allows every employee to participate in business management. Falling into the mindset of "I'm not a manager, so I just do what I'm told" will only hinder our growth and progress.

Kakiuchi: From the perspective of participatory management, not only is employee awareness important, but employee motivation is essential as well. Through my personal contact with Kyocera directors, I can feel their strong sense of ownership and motivation. It is important for there to be an owner's motivation in every corner of the organization, including everyone in the field, and I hope that the seeds of future growth will blossom from there.

Maekawa: I think what is important in Management by All is ultimately an awareness of profitability. All employees must have a strong awareness of revenues, expenses, and profits.

Yamaguchi: I feel that one issue with our philosophy is that people sometimes regard it as a directive handed down from above, so it is fine to just follow it, which can stall our thinking.

Sunaga: I think Kyocera is a company in which many smaller organizations have worked hard at their own tasks, and I feel this can make it difficult to see the overall direction the company is taking. First, from the perspective of optimization, it is necessary to have an overall picture to know what to strengthen and what to let go of. On top of this, we must foster the sense of "Management by All." While this can be a challenge, if we don't do it, we may find it impossible to truly grasp the Kyocera Philosophy and see how it connects to action.

Yamaguchi: You make a very good point. With Amoeba Management, if you let your guard down, it can easily result in optimizing only parts rather than the whole. Until recently, Kyocera's founder, Kazuo Inamori, managed overall optimization, so Amoeba leaders did not need to focus on the entire company.

Maekawa: On the other hand, if we spend too much time talking about the Kyocera Philosophy, there is a possibility that we may end up focusing on just rhetoric. I suggest we concentrate on two points: "Fostering a respect for ethics that results in fair, honest, and sincere action" and "Focusing on maximizing revenues while minimizing expenses." There are few people capable of filling Inamori's shoes. What we, as the Board of

Interview with Outside Directors

Directors, can do, however, is to share information and thoroughly discuss the best approaches for achieving overall optimization.

Kakiuchi: I agree with you that the Board of Directors is the body ultimately responsible for deciding the direction Kyocera will take. Since it is such a large company, though, every employee on the execution side needs to have the energy and agility to move in new directions. This is one of the most important roles of the Board of Directors: to create something that serves as a source of vitality and motivation for employees.



Corporate structure and separating execution from supervision

Should we maximize the authority of execution, or should the Board of Directors determine the overall optimization of management?

Yamaguchi: Inamori really enjoyed his work, and he wanted Kyocera to be a company where all employees were excited about their jobs and enjoyed working. For the generation who knew Inamori and saw how enthusiastic he was, being a part of Kyocera was never just about working hard, it was about finding meaning, purpose and fulfillment in our work. Somewhere along the way, the focus changed to “just work hard”, as a default setting. This needs to change.

Sunaga: Until now, Kyocera achieved growth through individual effort and the improvement of individual technologies. Small steps are certainly important, but I think we need to shift to the idea of creating a reproducible system and improving our business performance through that system. If we don't, we'll be stuck in an endless cycle of working harder rather than smarter.

Maekawa: It is also important to nurture the next generation of leaders. From this perspective, I believe that Kyocera should introduce a succession plan to enhance leadership development.

Sunaga: What is concerning about discussions among the Board of Directors is that remarks from executive directors tend to be segment-focused and limited to their own scope of responsibility. I hope that those who will lead the company in the future will broaden their view to produce a comprehensive vision for Kyocera's future, and express their opinions.

Yamaguchi: I agree with you that this is a problem. Of course, if the performance of a specific segment is unsatisfactory, we should consider improvement measures for recovery. But since the person in charge of the segment is directly involved, it can often be difficult to make completely rational decisions about changing directions or withdrawing from a business area. The problem may be that the roles of execution and supervision aren't sufficiently divided.

Maekawa: Given the current structure of the company, that may be unavoidable. I think it's a question of whether to maximize management's executive authority, or increase the effectiveness of the Board of Directors and strive for overall optimization.

Kakiuchi: Separating executive and supervisory functions comes down to the issue of institutional design. It

would be difficult to completely separate executive and supervisory functions overnight. I think this is an issue that needs to be addressed in phases.

Backdrop of the downward revision of earnings forecasts

Is the analysis of current conditions and prospects too lenient?

Yamaguchi: I would like to change the perspective of the discussion a little here if I may. Regarding Kyocera's performance, downward revisions of our earnings forecasts have continued for the past four years. This situation is unprecedented.

Kakiuchi: We recognize that this is not only an issue on the executive side. The Board of Directors has its issues and we outside directors share responsibility. In the past year or two, our analysis of the current situation and outlook for the next three to six months has become somewhat weaker. Is this because of something unexpected? If so, does it mean that we failed to fully grasp the trends of the industry, or were there problems that either management control or the operations misjudged?

Maekawa: Looking at the financial results of other companies this year, I think there were very few companies that accurately grasped market trends. I believe, however, that speed is in fact more important than the problem of misinterpretation. Could it have been that the decision to change direction in capital investment was delayed?

Sunaga: The past four years have been a challenging time for making forecasts, given things like COVID-19 and supply-chain damage. However, other companies in the same industry have steadily improved their performance, and this is something that we should reflect on. One thing that I would like to mention is the issue of information gathering. If you work with some of the best companies in the industry, you'll have clear access to current information that is quite reliable. Although Kyocera has a wide range of businesses, it has not been able to gain a large market share in each one. If we have weak market share, we can't hope to build the kind of relationships with industry-leading customers that provide access to up-to-date and highly accurate information.

Kakiuchi: Perhaps related to your observation, I think one of the reasons for the repeated downward revisions is that we haven't had any businesses strong enough to compensate for others that are struggling. Having strong businesses makes it possible to achieve positive overall performance even when some areas of the company are not yet strong. I think the important issue is how to nurture such businesses.

Yamaguchi: Cost increases over the past few years have been extraordinary, but our response remained conventional, thinking the increases would subside eventually, which caused a delay in our decision to increase prices. And because we continued to look at things in the traditional way, we failed to respond in a timely manner to changes in the market environment.

Maekawa: Another thing that troubles me is the R&D theme selection process. There are, of course, many potential themes, and the purpose is, ultimately, to increase the number of businesses that truly contribute to Kyocera's future growth.



Interview with Outside Directors

Is our selection process effective? We need to promote R&D that will lead to the creation and expansion of businesses that will drive future growth. Working on R&D as a company, we need to be strict about progress management and planning. If we are not, we risk falling into partial optimization. Here, too, the perspective of overall optimization is a particularly critical issue.

Partial optimization, total optimization, and beyond

Launching a clear vision for business portfolio restructuring

Kakiuchi: We have had discussions about partial and total optimization earlier, but I do not think we are achieving even partial optimization yet. In the tools segment, for example, how many businesses are leading the industry? Looking at the numbers, although sales of, say, pneumatic and power tools are quite large, operating profits are still in single digits. In this case, I do not think it is unreasonable for shareholders to ask, "What are you doing?"

Maekawa: We will need to diffuse authority, and I think we will address the issue of "where" and "who" decides certain company-wide strategies. The mechanism for this may not yet be fully in place.

Kakiuchi: We are discussing it in the Strategic Business Transformation project. I think it is very important to position our business portfolio for the future. Directors need to take the initiative in creating a clear vision of what Kyocera's business portfolio will look like in five years.

Sunaga: With a company like Kyocera, it's very difficult to judge which criteria to use for each business. Do you aim for a large market, bet on the future, or go for uniqueness in terms of technical capabilities? Some businesses have high profit margins, some are developed in large markets, and we are involved in both B2B and B2C businesses. As such, it's not clear what criteria to use when choosing a business. We definitely need to establish clear criteria for judgment.

Yamaguchi: Last year, we promoted a company-wide slogan, "Let's aim to be a 3-trillion-yen company," but it didn't describe what kind of company we would become if we achieved this goal. Back in the Showa era, there were many things that could be obtained naturally if you achieved sales targets. But now it's becoming difficult to see what we achieve by meeting the sales target. We first need to discuss thoroughly among executive officers a clear vision of our aims.



What are we aiming for?

A company that keeps pace with the times with no fear of change

Maekawa: In the future, we should aim to ensure that Kyocera has a meaningful existence in the world, and I believe this is possible through our ceramics-related businesses. We have a large market share, a great deal of technologies, and we can certainly contribute to society. We should aim to be a high-profit company. I think

we should pursue a high profit margin rather than concentrate on chasing sales.

Yamaguchi: I feel that we're not clearly defining what happens after we've become a high-profit company. Specifically, how is Kyocera contributing to society, and how can life be enriched for our stakeholders?

Maekawa: In the case of our company (Nippon Shinyaku Co., Ltd.), we help society by working on the development of therapeutic drugs that do not yet exist. This contribution also leads to employee satisfaction. Kyocera also has many products and businesses that are widely used throughout the world and appreciated by many people, so there should be many businesses that already contribute to society. I think it is important to be specific and clear about these points. It is also important to let more people know about this.

Kakiuchi: Of course, each product we produce must be useful, but I think that how Kyocera as a whole contributes to society has a significant impact on employee satisfaction.

Sunaga: Kyocera's products are used in a wide range of electronic devices and other products around the world, so we should be able to clearly demonstrate our strengths. I think the appeal of Kyocera's technology can be highlighted from various perspectives, such as providing solutions for energy problems and reducing CO₂ emissions.

Yamaguchi: I think we first need to have a clear vision of the world we want to create. If new devices and equipment are necessary to realize that vision, then we can consider what modules they require, and in this way, we can think about moving from the distant "big picture" down to more immediate, concrete actions. From this perspective, our component products represent our core competency and are within our immediate control, so if we put in the effort, we could definitely speed up the development of even better products. In the process, we may create something that has never been seen before. Innovation like this can make people happy. Now is the time to think seriously about these things. Finally, I would like to ask everyone about their vision for the future of Kyocera.

Kakiuchi: The reality is that at Kyocera's general meeting of shareholders, there were limited votes in favor of the reappointment of various directors based on the proposals they presented. In this regard, I feel responsible for some of the things that we, as outside directors, may not have fully grasped. Based on this reflection, I strongly agree with the chairman's and the president's desire to create a new Kyocera and work on achieving this vision with a sense of purpose and urgency.

Maekawa: The Kyocera Philosophy and Amoeba Management are wonderful concepts. Based on these well-developed concepts, we must build a management system that is in line with the times. I think that in working toward this, it is of the utmost importance to include perspectives and opinions from outside the company. I have a great desire to help Kyocera fulfill its potential.

Sunaga: I hope that the Kyocera of tomorrow and beyond will fulfill its potential "earning power" as it inspires a deep sense of pride, recognition, and value among our stakeholders. To this end, I would like to continue learning and growing to maximize my contribution.

Yamaguchi: We will not change the essence of the Kyocera Philosophy, but we believe that we must actively change the way the company is and how we help others understand Kyocera's vision. I look forward to working with you to achieve these aims.

Thank you very much for sharing your viewpoints today.



Messages from Outside Directors & Outside Audit and Supervisory Board Members

Outside Director



Noriko Oi

Continuing discussions on management policy and striving to enhance the transparency and fairness of governance to fulfill my obligation of accountability to shareholders

I was recently appointed as an outside director for Kyocera at the 71st general meeting of shareholders. I am honored to have this great opportunity to apply the knowledge and experience that I have accumulated in consultations for a wide range of companies, as well as the knowledge I have acquired through discussions with frontline researchers in the field of intellectual property. At the same time, the weight of responsibility increases my commitment to my work. Rapid technological innovations in AI and fierce global competition have increased the unpredictability of the future, and Kyocera is affected by these developments as well. However, the clear standard set out in the Kyocera Philosophy to “do what is right as a human being” serves as our guide as we move forward. Following this management philosophy and maintaining the uniqueness of the company regardless of the circumstances surrounding us will result in sustainable growth and improvement of corporate value. Setting targets and achieving them one by one are essential in ensuring that all stakeholders completely understand Kyocera’s approach. Kyocera considers this fiscal term a year of structural reform, and we will certainly engage in active discussions regarding a variety of management policies at Board of Directors meetings as well. I will strive to further enhance the structure for transparent and fair governance and fulfill my responsibility as an outside director to ensure accountability to shareholders regarding management decisions.

Outside Audit & Supervisory Board Member



Minoru Kida

Fostering an active corporate culture that generates innovations, seeking opinions from the perspectives of a wide variety of stakeholders, and contributing to sustainable growth

While uncertainty has been increasing in society due to regional conflicts and climate change, technology has advanced with remarkable speed. To ensure a brighter future even under such an ever-changing management environment, Kyocera has been working toward management reform. Becoming more sensitive to technological innovations and market needs than ever before, Kyocera is enhancing its strengths and increasing productivity by utilizing a wide range of experience accumulated through multifaceted businesses and technologies developed over time. In developing its business based on the Kyocera Philosophy to ensure integrity and fulfill its social responsibilities while responding to an ever-changing management environment, the speed of the management cycle must further increase. It is certain that discussions at Board of Directors meetings will focus on management strategies to ensure competitive advantage, risk analysis for implementation of these strategies, and ongoing reviews of businesses that have been established. At the same time, it is also necessary to establish desirable compliance and information disclosure structures in accordance with increasingly complicated laws and regulations. This is my second year as an outside director of Kyocera. Taking into account the perspectives of a wide range of stakeholders, I will continue striving to foster an active corporate culture that generates innovations to provide new value to society and enhance the sustainable improvement of corporate value.

Outside Audit & Supervisory Board Member



Michie Kohara

Preventing misconduct with effective audits, supporting structural reform by leveraging different perspectives and knowledge, and contributing to mid- and long-term improvement of corporate value

The fiscal year ended March 2025 highlighted not only a decrease in profits for three consecutive years, but also a significant decrease in profits compared with the previous term. In the current fiscal year, Kyocera is considering expansion of its ceramics-related business, one of Kyocera’s key strengths, while paying close attention to AI-related demand and other important trends in the industry. In addition, priority issues for the semiconductor component organic materials and KAVX businesses will include consideration and review of strategies, as well as improvement of productivity. This approach will lead Kyocera’s return to being a highly profitable company. Furthermore, Kyocera is also planning the sale of cross-shareholdings, share buybacks, a shortening of terms of service for directors, and other measures from the viewpoint of corporate governance, and is continuing to consider further reforms. We have actively discussed the above-mentioned business and capital strategies at the Board of Directors meetings. Utilizing our knowledge and experience, all outside directors will continue engaging in discussions and providing our informed opinions from a broad range of perspectives while focusing on stakeholders to enhance structural reform and ensure a highly effective Board of Directors. In regard to the Strategic Business Transformation Project that was initiated in 2025, the Board of Directors, along with outside directors, will remain actively involved by providing supervision and advice. Furthermore, ensuring that all executives and employees have a thorough understanding of the Kyocera Philosophy will lead to actual practice of the philosophy and promote positive involvement in structural reforms in a way that will lead to high employee satisfaction. As an outside auditor, I will execute effective audits, prevent misconduct, support structural reforms, and contribute to mid- and long-term improvement of corporate value.

Directors & Audit and Supervisory Board Members

Directors & Audit and Supervisory Board Members (as of June 26, 2025)

Attendance at/number of meetings of the Board of Directors, Nomination and Remuneration Committee, and Audit & Supervisory Board (Fiscal year ended March 2025)



Chairman of the Board and
Representative Director
Goro Yamaguchi

Member of the Nomination and
Remuneration Committee

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

Board of Directors: **12/12**

Nomination and Remuneration Committee: **5/5**

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 April 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

Mar. 1982: Joined Kyocera Corporation
Apr. 2015: Executive Officer
Apr. 2016: Managing Executive Officer
Jun. 2016: Director and Managing Executive Officer
Apr. 2017: President and Representative Director, President and Executive Officer [Present]

Board of Directors: **12/12**

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
Norihiko Ina

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 and Senior General Manager of Corporate Sales Division of Kyocera Document Solutions Inc.
Apr. 2017: Managing Executive Officer of Kyocera Corporation
President and Representative Director of Kyocera Document Solutions Inc.
Jun. 2017: Director and Managing Executive Officer
Apr. 2021: Executive General Manager of Solutions Business
Apr. 2025: Director and Senior Managing Executive Officer [Present]
Senior Managing Executive Officer in charge of Strategic Business Transformation Project and Executive General Manager of Solutions Business [Present]

Board of Directors: **12/12**

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
Shiro Sakushima

Mar. 1990: Joined Kyocera Corporation
Apr. 2018: General Manager of High Radio Device Division
Apr. 2022: Executive Officer
Senior General Manager of Corporate Electronic Components Group
Apr. 2023: Managing Executive Officer
Deputy Executive General Manager of Electronic Components Business and Senior General Manager of Corporate Electronic Components Group
Apr. 2025: Senior Managing Executive Officer
Senior Managing Executive Officer in charge of Strategic Business Transformation Project [Present]
Jun. 2025: Director and Senior Managing Executive Officer [Present]

Reason for appointment

Following a career in High Radio Device R&D and business development, Mr. Shiro Sakushima has promoted global strategy in the same business segment since his appointment in April 2022 as Senior General Manager of the Corporate Electronic Components Group and in April 2023 as Deputy Executive General Manager of Electronic Components Business.



Director
Koichi Kano

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

Board of Directors: **12/12**

Reason for appointment

From April 2012, Mr. Koichi Kano has 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 was appointed Deputy Executive General Manager of the Electronic Components Business in April 2021, and has served as Executive General Manager of the same business segment since April 2023, where he continues to drive the business' s growth and global strategy.



Director
Michinori Yamada

Mar. 1985: Joined Kyocera Corporation
May. 2013: General Manager of Semiconductor Components Domestic Sales Division
Oct. 2020: Deputy Senior General Manager of Corporate Ceramic Materials Semiconductor Components Group
Apr. 2021: Executive Officer
Apr. 2025: Managing Executive Officer
Executive General Manager of Core Components Business [Present]
Jun. 2025: Director and Managing Executive Officer [Present]

Reason for appointment

Following a career in Semiconductor Components sales, Mr. Michinori Yamada has contributed to the growth and development of the same business since his appointment in October 2020 as Deputy Senior General Manager of the Corporate Ceramic Materials Semiconductor Components Group.



Director
Hiroaki Chida

Mar. 1986: Joined Kyocera Corporation
Jul. 2007: Vice President of KYOCERA WIRELESS CORP.
Nov. 2015: Director and Senior General Manager of Administration Division of Nihon Inter Electronics Corporation
Apr. 2017: General Manager of Accounting Division of Kyocera Corporation
Apr. 2021: Senior General Manager of Corporate Management Control Group
Apr. 2022: Executive Officer
Apr. 2025: Managing Executive Officer
Executive General Manager of Headquarters (CFO) [Present]
Jun. 2025: Director and Managing Executive Officer [Present]

Reason for appointment

Together with overseeing administrative sections overall as Vice President of an overseas subsidiary beginning in July 2007 and Director and Senior General Manager of the Administration Division of a listed subsidiary beginning in November 2015, Mr. Hiroaki Chida has contributed to the Group's growth and progress through his responsibility for Group accounting and finance strategies as General Manager of the Accounting Division beginning in April 2017 and Senior General Manager of the Corporate Management Control Group beginning in April 2021.

Directors & Audit and Supervisory Board Members



Director

Eiji Kakiuchi

Outside
DirectorIndependent
DirectorMember of the
Nomination and
Remuneration
Committee

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 Kyocera Corporation [Present]
 Jun. 2023: Chairman, Member of the Board of SCREEN Holdings Co., Ltd.
 Jun. 2025: Executive Advisor of SCREEN Holdings Co., Ltd. [Present]

Board of Directors: 12/12

Nomination and Remuneration Committee: 5/5

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

Outside
DirectorIndependent
DirectorMember of the
Nomination and
Remuneration
Committee

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: Representative Director, President of Nippon Shinyaku Co., Ltd.
 Jun. 2021: Representative Director, Chairman of Nippon Shinyaku Co., Ltd. [Present]
 Jun. 2023: Outside Director of Kyocera Corporation [Present]

Board of Directors: 12/12

Nomination and Remuneration Committee: 5/5

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. After taking office as an Outside Director, he has proactively made statements notably from business strategy and capital management strategy perspectives.



Director

Junko Sunaga

Outside
DirectorIndependent
DirectorMember of the
Nomination and
Remuneration
Committee

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. (currently Qualcomm Japan, LLC)
 Apr. 2018: President of Qualcomm Japan, Inc. (currently Qualcomm Japan, LLC)
 Jun. 2023: Advisory Chairwoman of Qualcomm Japan, LLC
 Jun. 2024: Outside Director of Kyocera Corporation [Present]

Board of Directors: 9/10

Nomination and Remuneration Committee: 4/4

Reason for appointment

Ms. Junko Sunaga possesses a wealth of experience and management insights as leader of the Japanese subsidiary of a global firm that designs and develops mobile communications and semiconductors. After taking office as an Outside Director, she has proactively made statements notably from marketing strategy and technology perspectives.



Director

Noriko Oi

Outside
DirectorIndependent
DirectorMember of the
Nomination and
Remuneration
Committee

Apr. 1997: Admitted to the Bar, joined Toranomon Sougoh Law Office
 Apr. 2003: Partner at Toranomon Sougoh Law Office [Present]
 Sep. 2013: Outside Audit & Supervisory Board Member of U-NEXT Co., Ltd. (currently U-NEXT HOLDINGS Co., Ltd.)
 Jun. 2025: Outside Director of Kyocera Corporation [Present]

Reason for appointment

Ms. Noriko Oi possesses a wealth of experience and insights as an attorney in corporate law and various other fields.

Full-time Audit & Supervisory
Board Member

Shoichi Aoki

Mar. 1983: Joined Kyocera Corporation
 Jun. 2005: Executive Officer
 Senior General Manager of Corporate Accounting Group
 May. 2008: Senior General Manager of Corporate Financial and Accounting Group
 Apr. 2009: Managing Executive Officer
 Jun. 2009: Director and Managing Executive Officer
 Oct. 2010: Senior General Manager of Corporate Financial and Business Systems Administration Group
 Apr. 2013: Senior General Manager of Corporate Financial and Accounting Group
 Apr. 2018: Senior General Manager of Corporate Management Control Group
 Apr. 2021: Executive General Manager of Headquarters
 Apr. 2024: Executive General Manager of Headquarters, Senior General Manager of Corporate Development Group
 Apr. 2025: Director
 Jun. 2025: Full-time Audit & Supervisory Board Member [Present]

Board of Directors: 12/12

Reason for appointment

Mr. Shoichi Aoki has contributed to the Group's growth and development by overseeing management sections overall as Executive General Manager of Headquarters from April 2021. He can be expected to utilize these experiences and insights in properly auditing corporate activities overall as an Audit & Supervisory Board Member.

Full-time Audit & Supervisory
Board Member

Yushi Nishimura

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

Board of Directors: 12/12

Audit & Supervisory Board: 7/8

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 MemberIndependent
Director

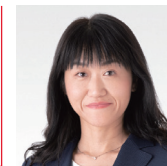
Oct. 1993: Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC)
 Apr. 1997: Registered as a Certified Public Accountant
 Jan. 2004: Head of Kida CPA Office (currently Kida CPA & CPTA Office) [Present]
 Jun. 2004: Registered as a Certified Public Tax Accountant
 Dec. 2006: Representative Partner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

Board of Directors: 10/10

Audit & Supervisory Board: 5/5

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 MemberIndependent
Director

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 Kyocera Corporation [Present]

Board of Directors: 10/10

Audit & Supervisory Board: 5/5

Reason for appointment

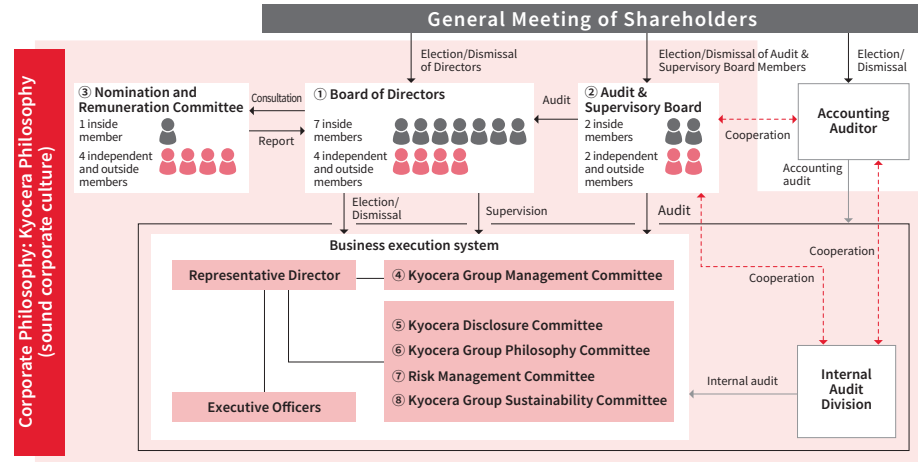
Ms. Michie Kohara has abundant experience and exceptional insight as an attorney, and is wellversed in a wide range of legal fields, including corporate law.

9-4

Corporate Governance

Corporate Governance Structure

The Kyocera Group shall establish proper corporate governance by implementing the “Kyocera Philosophy.” The Kyocera Group always strives to maintain equity and fairness and faces all situations with courage and conscience. It will realize its management rationale by achieving sustainable growth and raising medium- to long-term corporate value, while maintaining the soundness and transparency of management and taking into consideration the standpoints of all stakeholders. In doing so, the Kyocera Group shall always pursue optimal systems to undertake fair and efficient corporate management while evolving and progressing continually.



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 eleven 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 “personality,” “capability” and “insight”. The Board of Directors met twelve times during the year ended March 31, 2025.

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 eight times in the year ended March 31, 2025.

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 five times during the year ended March 31, 2025.

④ Kyocera Group Management Committee

Kyocera has established the Kyocera Group Management Committee, which consists of Directors (excluding Outside Directors), Senior Managing Executive Officer, and Managing Executive Officers who live in Japan and meetings every month. 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-five times during the year ended March 31, 2025.

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 twice during the year ended March 31, 2025.

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 “Do what is right 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, 2025.

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, 2025.

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, 2025.

9-5

Corporate Governance

Composition of the Board of Directors

With respect for fairness and equity, the Kyocera Group has strived to build highly transparent, sound management systems. We continually improve our corporate culture and governance in line with the changing times, using the Kyocera Philosophy as a guidepost. The 71st ordinary general meeting of shareholders appointed one additional Director, bringing the total to 11 Directors. This is intended to promote future management reforms. The composition of the Board of Directors emphasizes the skills balance and diversity as well as personal qualities, abilities, and expertise. Board decisions are made through objective, in-depth discussions reflecting the experience of each Director.

Ensuring diversity and skills balance in appointment of Directors and in the composition of the Board of Directors

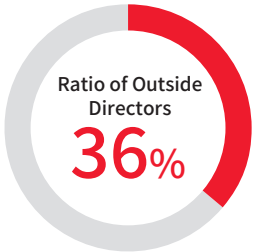
Kyocera considers that the Board of Directors must be equipped with the following skills from 1 to 6 to be able to suggest general directions of the Kyocera Group's growth strategies, discuss the appropriateness, risks, and other factors of such directions from objective and diverse perspectives, and appropriately oversee the status of business operations. In promoting sustainability management, the company identifies the sustainability and ESG skills as prerequisites for demonstrating skills 1-6 below, that should be possessed by all Directors.

1. Corporate management/ Business strategy
2. Global business
3. Sales / Marketing
4. Digital technologies
5. Financial affairs / Accounting
6. Legal affairs / Risk management

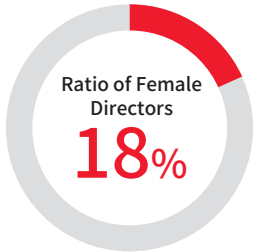
The Key skills possessed by the current Directors are presented in the table on the right. Kyocera's nomination policy for the appointment of Directors is to balance the skills required of the Board of Directors and ensure diversity, including gender, nationality, work experience, and age groups on the assumption of electing individuals having an adequate understanding of the Kyocera Group, who in terms of managing the Kyocera Group excel in their "personality," "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.

Title	Name	Corporate management/ Business strategy	Global business	Sales / Marketing	Digital technologies	Financial affairs / Accounting	Legal affairs / Risk management
Chairman of the Board and Representative Director	Goro Yamaguchi	●	●	●			●
President and Representative Director	Hideo Tanimoto	●	●		●		●
Director	Norihiko Ina	●	●	●			
Director	Shiro Sakushima		●		●		
Director	Koichi Kano	●	●			●	
Director	Michinori Yamada		●	●			
Director	Hiroaki Chida		●			●	●
Outside Director	Eiji Kakiuchi	●	●	●			
Outside Director	Shigenobu Maekawa	●	●			●	●
Outside Director	Junko Sunaga	●	●	●	●		
Outside Director	Noriko Oi						●

Ratio of Outside Directors



Ratio of Female Directors



9-6

Corporate Governance

Initiatives to Strengthen Board Functions

To strengthen the functions of the Board of Directors and increase corporate value, the Kyocera Group annually evaluates the effectiveness of the Board of Directors and strives to improve it. Continual training is provided for Directors and Audit & Supervisory Board Members, to help them to master the knowledge needed in their roles. We also focus on development of successors for core management, using the executive officer system to promote younger human resources and develop successors systematically. The auditing system also is being strengthened continually to make governance even more effective. Both internal and outside Audit & Supervisory Board Members cooperate to enhance Groupwide auditing functions through maintenance of a whistleblowing system.

● 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, and a chairperson selected from among the Outside Directors, 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.

● 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.

● Training for Directors & Audit and 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.

- (3) Roles and Responsibilities of the Board of Directors (e.g., discussion of the broad direction of corporate strategy, management of subsidiaries, oversight of internal control and a risk management system)
- (4) Optional Nomination and Remuneration Committee (e.g., 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 subsidiary governance and enhancing briefings through off-site meetings. 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:
 - The Board has an atmosphere that welcomes open expression of opinions and engages in free and broad-minded deliberations.
 - Deliberations are conducted in greater depth through

● Efforts to Improve the Effectiveness of the Audit & Supervisory Board Member

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.

active exchange of opinions thanks to an increase in opportunities for reporting on internal controls and risk management systems.

At the same time, the following efforts are underway to address issues identified in this evaluation and improve efficacy even more in the future.

- Making sufficient time available for deliberation and consideration of various important matters including medium-term management plans, through acceleration of the timing of providing information on agenda items and active use of opportunities such as off-site meetings
- Making risk management even more precise and improving the quality of Board decisions through timely and appropriate sharing of information on risks and other important matters.
- Strengthening Groupwide governance by enhancing reports on subsidiary management conditions and accurately ascertaining and monitoring subsidiary performance.

9-7

Corporate Governance

Compensation for Directors & Audit and Supervisory Board Members

Kyocera is focusing on improvement and operation of its remuneration system for Directors as part of efforts to reinforce governance. The remuneration system for Directors has been designed as a system to support sustained growth and achievement of the Management Rationale. It is operated as a highly objective and transparent process.

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.

Resolution of the ordinary general meeting of shareholders on remuneration of Audit & Supervisory Board Members and details thereof

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.

Resolution of the ordinary general meeting of shareholders on remuneration of Directors and details thereof

	Applicable to	Items determined at General Meeting of Shareholders	Details
Basic Remuneration	Director	<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.	<ul style="list-style-type: none"> ● 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.	<ul style="list-style-type: none"> ● 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	<ul style="list-style-type: none"> ● 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 the upper limit on the number of shares shall be no more than 25,000 shares per year. ³	<ul style="list-style-type: none"> ● 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.

¹ The notation has been changed to "Profit attributable to owners of the parent" in line with the adoption of the International Financial Reporting Standards (IFRS).

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.

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.

Compensation for Directors & Audit and Supervisory Board Members

Total Amount of Compensation for Directors & Audit and Supervisory Board Members (FY2025)

(Yen in millions)

Classification	Amount of Remuneration	Basic Remuneration		Performance-linked remuneration (Director bonuses)		Non-monetary remuneration (Restricted Stock Compensation)	
		Total amount	Persons paid (Persons)	Total amount	Persons paid (Persons)	Total amount	Persons paid (Persons)
Directors (excluding Outside Directors)	278	164	6	30	6	84	6
Outside Director	56	56	4	-	-	-	-
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	48	48	2	-	-	-	-
Outside Audit & Supervisory Board Member	23	23	4	-	-	-	-
Total	405	291	16	30	6	84	6

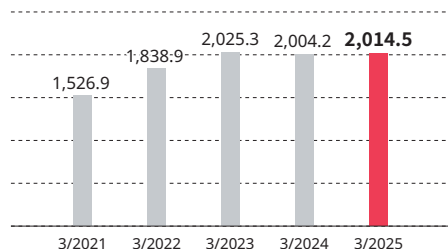
1 Aside from the remuneration in the above table, the aggregate amount of remuneration to Directors (excluding Outside Directors) was 190 million yen in remuneration for services as employees or Executive Officers for those Directors who serve as such. Four Directors serve concurrently as employees and received employee remuneration.

2 Director bonuses are paid to Directors as performance-linked remuneration. The performance indicator for bonuses to Directors is profit attributable to owners of the parent and this amounted to 24,097 million yen. This was selected as a performance indicator to clarify its linkage with dividends and to ensure conformance with the interests of shareholders. The amount of Director bonuses is calculated by multiplying a prescribed numerical value determined based on the performance indicator by a prescribed coefficient and a coefficient for individual assessments based on the degree of contribution to performance.

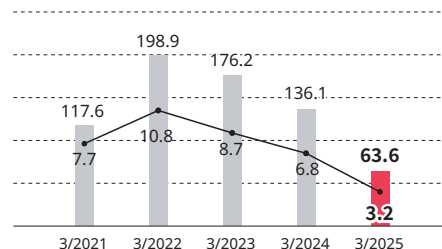
3 No performance-Linked Restricted Stock Compensation was paid for fiscal year 2025.

Financial / Non-financial Highlights

Sales revenue (billion yen)

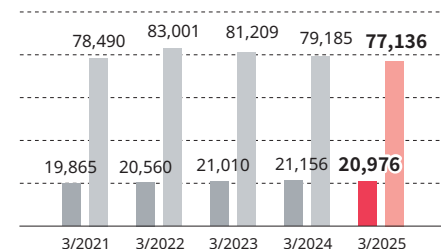


Profit before income taxes (billion yen) / **Profit before income taxes to sales revenue** (%)



Number of employees

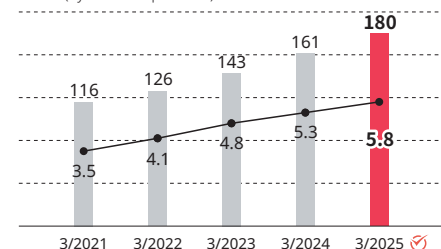
Kyocera Corporation / The Kyocera Group



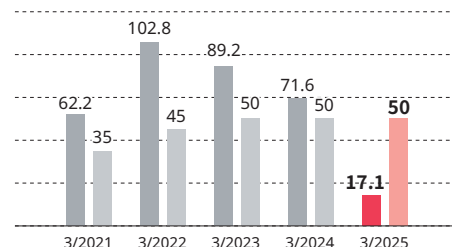
Number of female managers

Ratio of female managers (%)²

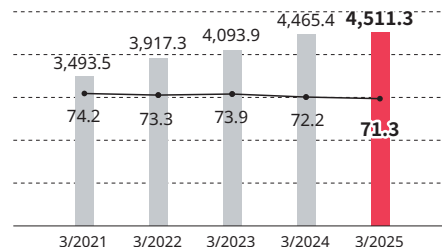
(Kyocera Corporation)



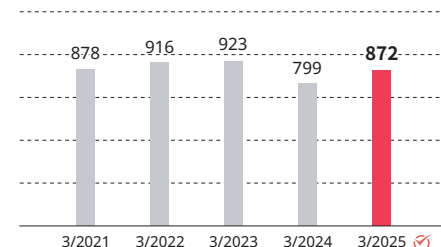
EPS – Basic (yen)¹ / **Cash dividends per share** (yen)¹



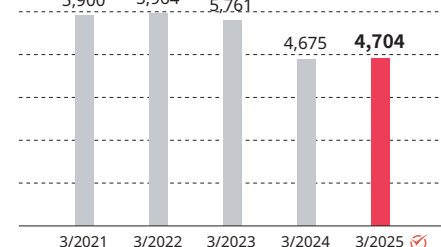
Total assets (billion yen) / **Ratio of equity attributable to owners of the parent to total assets** (%)



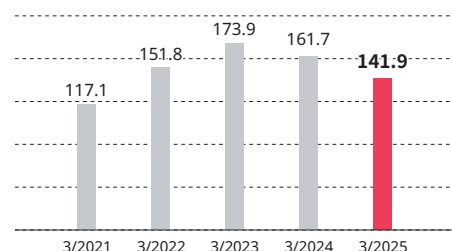
Greenhouse gas emissions (Scope 1, 2)³ (1,000 tons-CO₂)



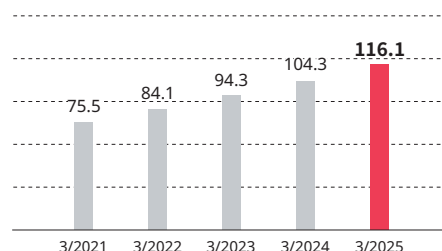
Greenhouse gas emissions (Scope 1, 2, 3)⁴ (1,000 tons-CO₂)



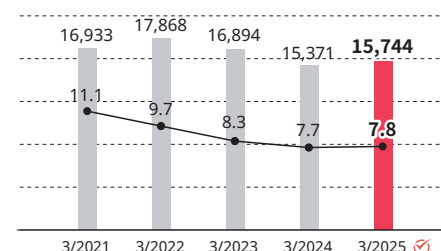
Capital expenditures (billion yen)



R&D expenses (billion yen)

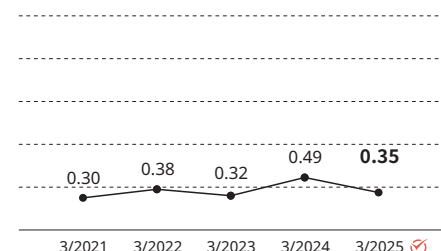


Water intake (thousand cu. m) / **Per net sales** (m³/million yen)



Lost time accident rate⁵

(Kyocera Group (in Japan))



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.

² Number of female managers / Total number of managers

³ Scope1 Direct emissions associated with fuel consumption and production processes

Scope2 Indirect emissions associated with consumption of power or heat purchased from outside

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)

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 FY3/2015 to FY3/2025)

FY: For the years ended March 31.	3/2015	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023	3/2024	(Yen in billions) 3/2025
Sales revenue and profit											
Sales revenue	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	2,014.5
Operating profit	93.4	92.7	104.5	90.7	94.8	100.2	70.6	148.9	128.5	92.9	27.3
Operating profit to sales revenue (%)	6.1	6.3	7.3	5.8	5.8	6.3	4.6	8.1	6.3	4.6	1.4
Profit before income taxes	121.9	145.6	137.8	130.0	140.6	148.8	117.6	198.9	176.2	136.1	63.6
Profit before income taxes to sales revenue (%)	8.0	9.8	9.7	8.2	8.7	9.3	7.7	10.8	8.7	6.8	3.2
Profit attributable to owners of the parent	115.9	109.0	103.8	79.1	103.2	107.7	90.2	148.4	128.0	101.1	24.1
Profit attributable to owners of the parent to sales revenue (%)	7.6	7.4	7.3	5.0	6.4	6.7	5.9	8.1	6.3	5.0	1.2
Assets and equity											
Total assets	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	4,511.3
Equity attributable to owners of the parent	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	3,217.8
Per share data											
EPS (Diluted-yen)(A)	79.0	74.3	70.7	53.8	71.2	74.3	62.2	102.8	89.2	71.6	17.1
Cash dividends per share (yen)(B)	25	25	27.5	30	35	40	35	45	50	50	50
BPS: Equity per share attributable to owners of the parent (yen)	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	2,284.2
Capital expenditures, Depreciation charge, R&D expenses											
Capital expenditures	56.7	68.9	67.8	86.5	117.0	106.0	117.1	151.8	173.9	161.7	141.9
Depreciation charge of property, plant and equipment	62.4	65.9	66.0	69.7	51.5	62.4	73.8	90.2	108.8	111.7	112.1
R&D expenses	55.3	58.8	55.4	58.3	69.9	79.2	75.5	84.1	94.3	104.3	116.1
Cash flows											
Cash flows from operating activities	130.8	194.0	164.2	158.9	220.0	214.6	220.8	202.0	179.2	269.1	237.9
Cash flows from investing activities	(93.6)	(106.8)	(112.1)	(53.1)	(47.1)	(145.6)	(183.8)	(79.5)	(168.8)	(158.4)	(150.5)
Cash flows from financing activities	(40.0)	(50.6)	(48.0)	(51.6)	(89.1)	(157.1)	(81.0)	(111.5)	(61.3)	(82.6)	(64.9)
Free cash flow(C)	37.2	87.2	52.1	105.8	172.9	69.1	37.0	122.5	10.4	110.7	87.4
ROA, ROE, EBITDA											
ROA (%)	4.3	4.8	4.4	4.2	4.6	4.8	3.5	5.4	4.4	3.2	1.4
ROE (%)	5.6	4.8	4.5	3.4	4.5	4.6	3.6	5.4	4.3	3.2	0.7
EBITDA(D)	196.6	224.0	216.1	213.9	205.7	243.1	228.8	330.7	329.4	298.4	231.2
Others											
Dividend payout ratio (%)	31.7	33.6	38.9	55.8	49.1	53.8	56.2	43.8	56.1	69.9	292.2
Number of employees	68,185	69,229	70,153	75,940	76,863	75,505	78,490	83,001	81,209	79,185	77,136

• 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, 2024	As of March 31, 2025
(Assets)		
Current assets:	1,439,354	1,435,748
Cash and cash equivalents	424,792	444,744
Trade and other receivables	384,381	382,584
Other financial assets	35,541	28,643
Inventories	540,225	521,813
Income tax receivable	7,831	10,498
Other current assets	46,584	47,466
Non-current assets:	3,026,022	3,075,559
Equity and debt instruments	1,640,038	1,704,708
Investments accounted for using the equity method	15,979	15,474
Other financial assets	46,539	50,068
Property, plant and equipment	665,990	651,949
Right-of-use assets	82,642	81,793
Goodwill	282,879	282,239
Intangible assets	152,171	142,050
Deferred tax assets	50,774	43,870
Other non-current assets	89,010	103,408
Total assets	4,465,376	4,511,307

	(Yen in millions)	
	As of March 31, 2024	As of March 31, 2025
(Liabilities)		
Current liabilities:	470,189	491,682
Borrowings	9,394	44,386
Trade and other payables	212,133	207,029
Lease liabilities	24,378	25,439
Other financial liabilities	5,934	1,437
Income tax payables	22,530	15,168
Accrued expenses	142,338	140,270
Provisions	8,474	9,381
Other current liabilities	45,008	48,572
Non-current liabilities:	742,329	776,391
Borrowings	199,760	202,577
Lease liabilities	70,659	69,980
Retirement benefit liabilities	9,138	8,771
Deferred tax liabilities	441,345	468,781
Provisions	11,594	15,968
Other non-current liabilities	9,833	10,314
Total liabilities	1,212,518	1,268,073
(Equity)		
Equity attributable to owners of the parent:	3,225,595	3,217,788
Common stock	115,703	115,703
Capital surplus	118,754	118,802
Retained earnings	1,967,527	1,942,485
Other components of equity	1,166,752	1,183,792
Treasury stock	(143,141)	(142,994)
Non-controlling interests	27,263	25,446
Total equity	3,252,858	3,243,234
Total liabilities and equity	4,465,376	4,511,307

Consolidated Statement of Profit or Loss

	(Yen in millions)	
	For the year ended March 31, 2024	For the year ended March 31, 2025
Sales revenue	2,004,221	2,014,454
Cost of sales	1,451,110	1,455,280
Gross profit	553,111	559,174
Selling, general and administrative expenses	460,188	531,875
Operating profit	92,923	27,299
Finance income	60,839	60,841
Finance expenses	18,836	27,653
Share of net profit (loss) of investments accounted for using the equity method	(526)	(165)
Other, net	1,743	3,309
Profit before income taxes	136,143	63,631
Income taxes	31,316	36,177
Profit for the year	104,827	27,454

Profit attributable to:

Owners of the parent	101,074	24,097
Non-controlling interests	3,753	3,357
Profit for the year	104,827	27,454

Per share information:

Comprehensive income attributable to owners of the parent:		
Basic and diluted EPS (yen)	71.6	17.1

• 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 Comprehensive Income

	(Yen in millions)	
	For the year ended March 31, 2024	For the year ended March 31, 2025
Profit for the year	104,827	27,454
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	101,351	39,181
Re-measurement of defined benefit plans	17,853	9,488
Total items that will not be reclassified to profit or loss	119,204	48,669
Items that may be reclassified subsequently to profit or loss:		
Net changes in fair value of cash flow hedge	(47)	27
Exchange differences on translating foreign operations	103,532	(10,214)
Share of other comprehensive income of investments accounted for using the equity method	167	(8)
Total items that may be reclassified subsequently to profit or loss:	103,652	(10,195)
Total other comprehensive income	222,856	38,474
Comprehensive income for the year	327,683	65,928

Comprehensive income attributable to:

Owners of the parent	323,000	62,430
Non-controlling interests	4,683	3,498
Comprehensive income for the year	327,683	65,928

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024	Total equity attributable to owners of the parent					(Yen in millions)		
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total	Noncontrolling interests	Total equity
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

For the year ended March 31, 2025	Total equity attributable to owners of the parent					(Yen in millions)		
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total	Noncontrolling interests	Total equity
Balance as of April 1, 2024	115,703	118,754	1,967,527	1,166,752	(143,141)	3,225,595	27,263	3,252,858
Profit for the year			24,097			24,097	3,357	27,454
Other comprehensive income				38,333		38,333	141	38,474
Total comprehensive income for the year	—	—	24,097	38,333	—	62,430	3,498	65,928
Cash dividends			(70,435)			(70,435)	(3,003)	(73,438)
Purchase of treasury stock					(4)	(4)		(4)
Reissuance of treasury stock		48			151	199		199
Transactions with non-controlling interests		(5)				(5)	(2,312)	(2,317)
Transfer to retained earnings			21,293	(21,293)		—		—
Others		5	3			8		8
Balance as of March 31, 2025	115,703	118,802	1,942,485	1,183,792	(142,994)	3,217,788	25,446	3,243,234

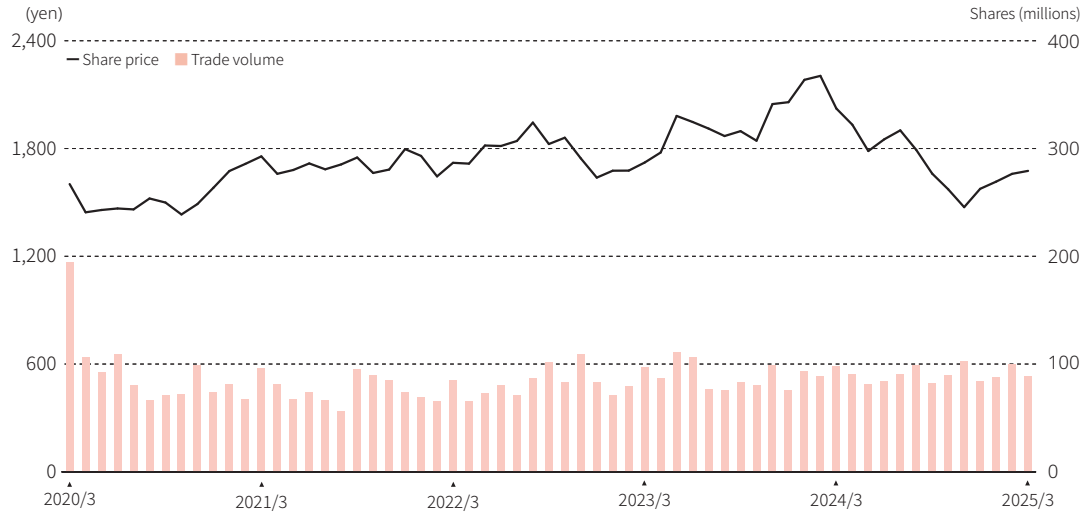
Consolidated Statement of Cash Flows

	(Yen in millions)	
	For the year ended March 31, 2024	For the year ended March 31, 2025
Cash flows from operating activities:		
Profit for the year	104,827	27,454
Depreciation and amortization	156,950	160,927
Finance expenses (income)	(42,003)	(33,188)
Share of net profit of investments accounted for using the equity method	526	165
Impairment loss	126	40,148
(Gains) losses from sales or disposal of property, plant and equipment	(298)	1,557
Income taxes	31,316	36,177
(Increase) decrease in trade and other receivables	28,439	4,851
(Increase) decrease in inventories	36,825	10,701
(Increase) decrease in other assets	(4,670)	(15,310)
Increase (decrease) in trade and other payables	(38,792)	10,495
Increase (decrease) in accrued expenses	(836)	(3,799)
Increase (decrease) in other liabilities	2,608	(738)
Other, net	(17,942)	(13,321)
Subtotal	257,076	226,119
Interests and dividends received	60,462	60,700
Interests paid	(4,176)	(4,774)
Income taxes refund (paid)	(44,293)	(44,127)
Net cash provided by operating activities	269,069	237,918
Cash flows from investing activities:		
Payments for purchases of property, plant and equipment	(147,654)	(154,650)
Payments for purchases of intangible assets	(12,085)	(13,194)
Proceeds from sales of property, plant and equipment	2,535	2,675
Acquisitions of business, net of cash acquired	(2,515)	—
Acquisition of time deposits and certificate of deposits	(16,260)	(21,103)
Withdrawal of time deposits and certificate of deposits	5,017	28,678
Payments for purchases of securities	(1,625)	(17,184)
Proceeds from sales and maturities of securities	14,789	24,799
Other, net	(615)	(502)
Net cash used in investing activities	(158,413)	(150,481)

	(Yen in millions)	
	For the year ended March 31, 2024	For the year ended March 31, 2025
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(20,000)	34,985
Proceeds from long-term borrowings	100,611	13,460
Repayments of long-term borrowings	(11,051)	(10,455)
Repayments of lease liabilities	(26,845)	(29,618)
Dividends paid	(74,704)	(73,311)
Purchase of treasury stock	(50,015)	(4)
Other, net	(592)	6
Net cash used in financing activities	(82,596)	(64,937)
Effect of exchange rate changes on cash and cash equivalents	23,232	(2,548)
Increase (decrease) in cash and cash equivalents	51,292	19,952
Cash and cash equivalents at the beginning of the year	373,500	424,792
Cash and cash equivalents at the end of the year	424,792	444,744

Stock Information

Trends of Share Price (March 31, 2020 to March 31, 2025)



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)

	2021/3	2022/3	2023/3	2024/3	2025/3
Kyocera Corporation (%)	111.8	112.4	115.6	137.5	118.9
Dividend-included TOPIX (%)	142.1	145.0	153.4	216.8	213.4

Note: Total shareholder return is calculated based on the share price as of the end of March 2020 as 100.

Annual Cash Dividend per Share and Consolidated Payout Ratio

	2021/3	2022/3	2023/3	2024/3	2025/3
Cash dividends per share (yen)	35	45	50	50	50
Consolidated payout ratio (%)	56.2	43.8	56.1	69.9	292.2 [*]

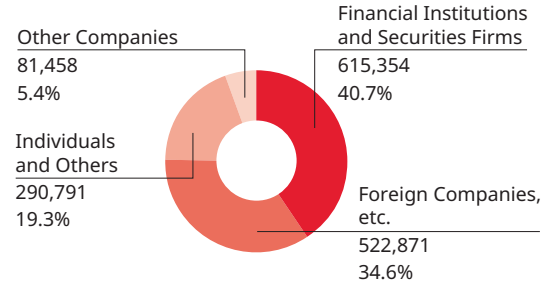
Note: A four-for-one stock split was conducted on January 1, 2024. This stock split has been reflected in figures for dividends from prior to that date as well.

^{*} Includes one-time cost of approx. 48 billion yen in the profit attributable to owner of the parent.

Share (as of March 31, 2025)

Total Number of Shares	2,400,000,000 shares
Total Number of Shares Issued	1,510,474,320 shares (of which 101,726,205 shares)
Number of Shareholders	134,025

Shareholder Composition (Share 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)	309,334	21.96
Custody Bank of Japan, Ltd. (Trust Account)	124,846	8.86
The Bank of Kyoto, Ltd.	57,745	4.10
STATE STREET BANK AND TRUST COMPANY 505001	53,757	3.82
Inamori Foundation	37,440	2.66
STATE STREET BANK WEST CLIENT - TREATY 505234	27,032	1.92
Stock Purchase Plan for Kyocera Group Employees	24,172	1.72
MUFG Bank, Ltd.	18,388	1.31
HSBC HONG KONG - TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES	17,759	1.26
The Dai-ichi Life Insurance Company, Ltd.	16,816	1.19

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

Corporate Summary

Corporate Summary (as of March 31, 2025)

Established	April 1, 1959
Global headquarters	6 Takeda Tobadono-cho, Fushimi-ku, Kyoto, Japan 612-8501
Capital	115,703 million yen
Consolidated sales revenue	2,014,454 million yen
Group companies	289 (Including KYOCERA Corporation)
Group employees	77,136 (Japan: 28,539, Outside Japan: 48,597) (Excluding non-consolidated subsidiaries and affiliates accounted for by the equity method)
Stock Listing	Prime market, Tokyo Stock Exchange (6971)
Closing date	March 31
Record date for the determination of shareholders	Voting rights at Ordinary General Meeting of Shareholders, year-end dividend: March 31 Interim dividend: September 30
Ordinary General Meeting of Shareholders	June

Main Kyocera Group Companies (as of March 31, 2025)

Japan	KYOCERA Industrial Tools Corporation KYOCERA Document Solutions Inc. KYOCERA Document Solutions Japan Inc. KYOCERA Communication Systems Co., Ltd. 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 Company Limited KYOCERA Document Technology Vietnam Co., Ltd. KYOCERA Asia Pacific Pte. Ltd. KYOCERA (Thailand) Co., Ltd.
Europe	KYOCERA Europe GmbH KYOCERA Document Solutions Deutschland GmbH TA Triumph-Adler GmbH KYOCERA UNIMERCO Tooling A/S KYOCERA Document Solutions Europe Management B.V.
North America	KYOCERA International, Inc. KYOCERA AVX Components Corporation KYOCERA Senco Industrial Tools, Inc. KYOCERA Industrial Tools, Inc. KYOCERA Document Solutions America, Inc.

Information about the Kyocera Group



<https://www.linkedin.com/company/kyocera-global/>



<https://www.facebook.com/kyocera.global/>

✕ @KYOCERA_Global



http://x.com/KYOCERA_Global



<https://www.youtube.com/@kyoceraglobal3269/>

🌐 — SASB Index

🌐 — External Evaluation



KYOCERA Corporation

6 Takeda Tobadono-cho, Fushimi-ku, Kyoto, Japan 612-8501

<https://global.kyocera.com/>

Unauthorized duplication and reproduction of this report are prohibited.

© 2025 KYOCERA Corporation