

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

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

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

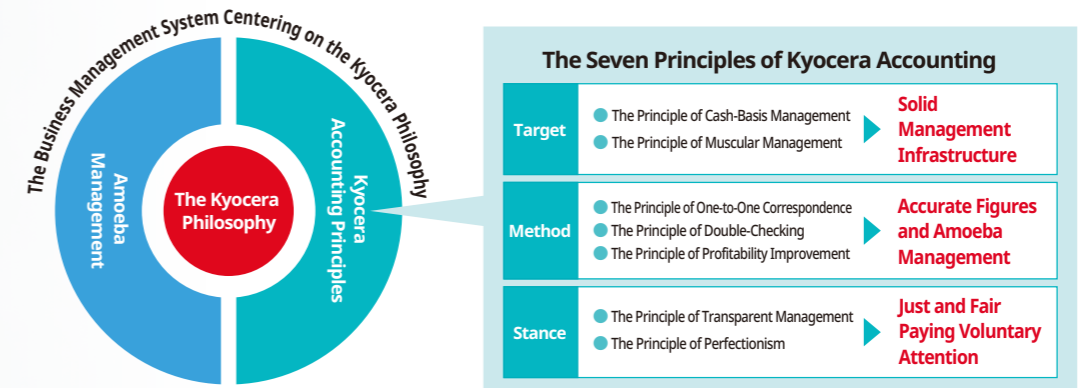
The Kyocera Philosophy Shared by Employees

As a guideline for achieving our Management Rationale, we share with all employees our “Kyocera Philosophy,” which encompasses:

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

With these four elements, the Kyocera Philosophy outlines a management approach that strives for growth and development in a manner that is fair and ethical based on actual experiences and “rules of thumb” developed by our founder, Kazuo Inamori. The essential concepts behind this philosophy will never waver, regardless of the passage of time. At Kyocera group, we regard our company philosophy with a sense of pride, and work to put its principles into practice on a daily basis. We act on the concept of harmonious coexistence with society, the global community, and nature to make what we consider to be the right choices as human beings. This makes sustainability the foundation of our Philosophy.

Two Systems to Achieve Our Management Rationale



The unique Amoeba Management System employed by the Kyocera Group organizes the company into small units called “Amoebas” that operate with their own P&L accounting systems linked directly to their respective markets.

The profitability of an Amoeba is calculated as the added value it creates. The Results are disclosed to Amoeba members transparently, so they can actually see in real time how their work is reflected in the company’s results. The added value created contributes to the entire Kyocera Group based on the idea of “Doing Our Best for Our Colleagues,” which is included in the Kyocera Philosophy. The source of our strength lies in our management structure, which seeks participation by all employees (“Management by All”) and enhanced employee motivation. Meanwhile, the Kyocera Management and Accounting Principles are integral to management, playing a role akin to a compass. They consist of seven accounting principles developed by Kazuo Inamori to determine the true operational status of each amoeba and the amoeba’s best strategic options at any moment.

Management by All

Since its foundation, Kyocera Corporation has pursued the concept of Management by All, empowering diverse staff to take the initiative in playing active roles in our success. Under the unique Amoeba Management, individual employees are involved in all phases of decision making, allowing them to experience greater fulfillment and achievement in their work, and build stronger teams with the goal of pursuing a better future for society. We also work on new measures to promote employee engagement. One of these is “the Venture Startup Program” at our domestic operations, created to cultivate a corporate climate that encourages individual employees to take on new challenges and develop a management mindset, all with the goal of promoting bottom-up innovation. We seek to promote diversity and inclusion to develop workplaces where everyone can maximize their true abilities. All our employees should be able to shine in their own unique ways, and benefit from the diverse experience of others. This rich work environment provides the basis for Kyocera's Management by All.

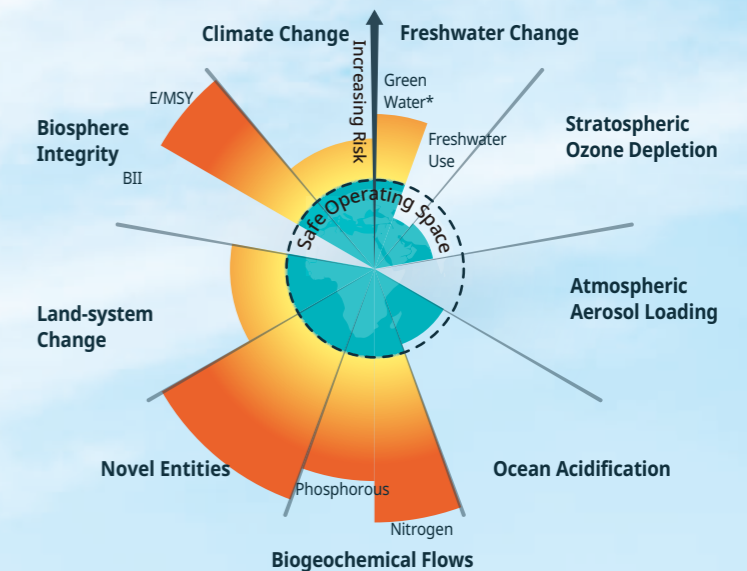
Living Together. To coexist harmoniously with our society, our global community and nature. Harmonious coexistence is the underlying foundation of all our business activities as we work to create a world of prosperity and peace.

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

The global population is about 8 billion. Some say that we have already exceeded the earth's capacity. It is predicted that the population will continue to increase until the middle of the century, when it will exceed 10 billion. This will require an increase in food production, energy, and many other items necessary for our daily life to support 2 billion more people.

In the past 100 years, rapid population growth led to great increases in the production of food and industrial products. As a result, the global environment has been affected significantly by problems such as global warming and the loss of biodiversity. If we continue increasing production by existing methods, regardless of industry, the environment that sustains us will be irreparably damaged. The Kyocera group considers finding solutions that enable increased production without damaging the global environment to be the biggest challenge confronting humankind if we hope to continue living in prosperity and security.

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



Source: Azote for Stockholm Resilience Centre, based on analysis by Wang-Erlandsson, et al. 2022

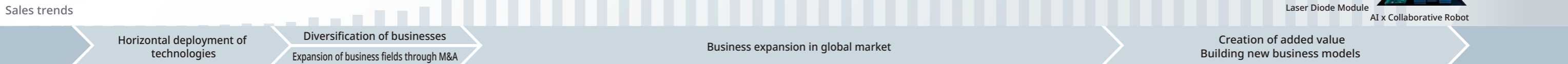
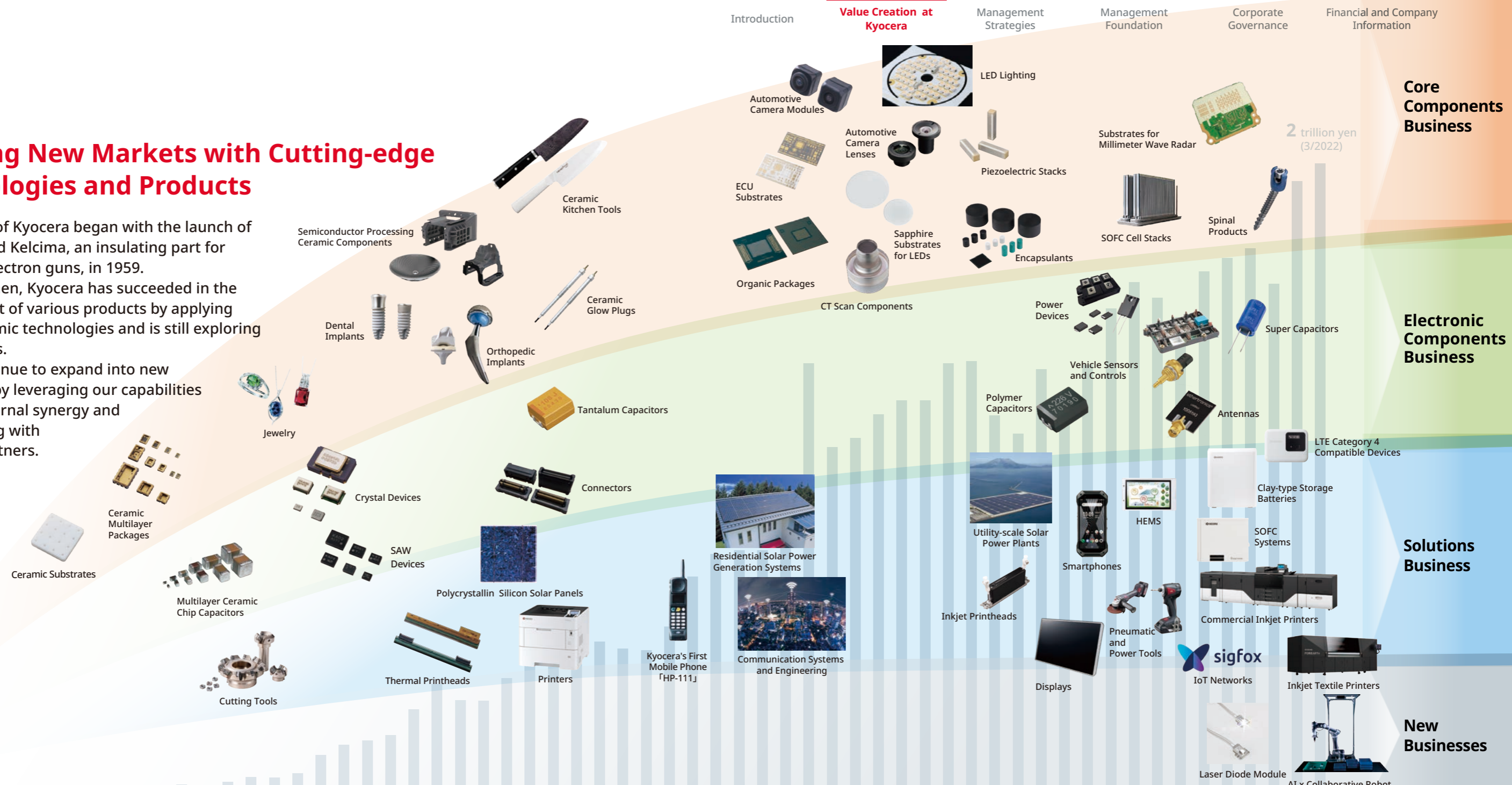
*Water taken in by plants (terrestrial precipitation, evaporation, and soil moisture)

The planetary boundaries concept defines the limits within which people can continue to live safely, and presents thresholds that should not be exceeded. Based on this concept, experts have been validating the degree to which natural capital is damaged in nine planetary boundaries. Boundaries of Climate Change and Land-system Change, which show the size of forests, are deemed to have exceeded the threshold. Meanwhile, Freshwater Use, the excessive amounts of phosphorous and nitrogen significantly impacting agriculture and fisheries (Biogeochemical Flows), Novel Entities that show pollution from plastics and synthetic compounds, and Extinction Rates (Biosphere Integrity) are all deemed to have been irreparably damaged.

Based on the planetary boundaries concept, and in alignment with our philosophy, the Kyocera Group works to preserve natural capital by taking new actions for sustainable growth that address societal needs. By creating new technologies to supplement those that Kyocera has accumulated, we continue engaging in business activities that take the global environment into consideration.

Creating New Markets with Cutting-edge Technologies and Products

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



1960

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

1970

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

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

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

1979 KYOCERA invests capital in Cybernet Electronics Corp.

1980

1984 Daini-Denden Kikaku Co., Ltd. is established. The commencement of Daini-Denden service

1989 Elco Corp. joins the Kyocera Group

1990 AVX Corp. joins the Kyocera Group

1995 Dongguan Shilong Kyocera Optics Co., Ltd. is established in China. KYOCERA Communication Systems Co., Ltd. is established

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

2000 Mita Corporation becomes Kyocera Mita Corporation and joins the Kyocera Group.

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

2008 Kyocera acquires the mobile phone business of Sanyo Electric Co., Ltd.

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

2011 KYOCERA Vietnam Management Company Limited is established in Vietnam

2015 Nihon Inter Electronics Corporation joins the Kyocera Group.

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

2019 SouthernCarlson, Inc. (United States) joins the Kyocera Group.

2020 AVX Corporation becomes a wholly-owned subsidiary

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

*Company names in the chronology may have changed.

The Kyocera Group will develop businesses that contribute to solving societal issues and evolve our Amoeba management to keep pace with these changes and realize our vision.

Since its founding, the Kyocera Group has expanded its business and supported social development through our Management Rationale: “To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.” Our management will remain rooted in this Kyocera Philosophy, which has inspired our corporate culture for over 60 years.

Today, we find ourselves in a time of great change, with rapidly evolving social and industrial structures. We are required to adapt to changes in society and industrial structure brought about by the evolution of digitalization and AI, and we must create new businesses that address societal and environmental needs. Against this background, we announced our medium-term management plan in May 2023. To accelerate our growth and achieve our goals, we will improve our business not only in traditional metrics but also by applying Kyocera’s unique Amoeba Management system in response to changing markets. In the process, we will implement new capital strategies and sustainable practices to strengthen our management, foundation, and expand businesses that contribute to fulfill societal needs.

President and Representative Director,



Looking back from the time I became president to today

Promoting intra-company collaboration and participation by new employees to reinforce a culture of creating value

After assuming the post of president in 2017, I noticed that “walls” between departments had become greater as the company expanded, creating obstacles to further growth. One of Kyocera’s major strengths is its diverse business operations. Although each department has unique technologies and skills to create new value, I felt that the culture of collaboration to create new things was being lost. This led us to establish Kyocera Minatomirai Research Center to promote cross-divisional collaboration, reform our R&D departments, and revitalize internal communication. Next, we reorganized our diverse business portfolio into three core segments, stimulating deeper interaction beyond each segment’s internal departments, and developing a stronger base for creating new value together. Factories have gradually added automation, and production of storage batteries at the Yasu Factory in Shiga is now completely automated. Issues we encountered at the beginning have been resolved through functional improvement, demonstrating the value of automated production at other factories. This success was made possible by newer employees participating in design and development. The challenging nature of their work made them highly motivated and goal-oriented, which I believe is the key to ensure job satisfaction. I will strive to continue building structures that encourages the active engagement of newer employees in meaningful work.

Societal challenges including our environment

From ensuring a more comfortable workplace to reducing greenhouse gas emissions, digitalization and AI can help address societal needs

The most serious issues affecting our business include the declining birthrate and aging population, which are already constraining labor resources. As a countermeasure, we must improve productivity through digitalization in factories and indirect departments. Regarding generative AI, which is rapidly advancing, we are assessing both practicality and safety in anticipation of implementing it at Kyocera. Further, we plan to make improvements in the work environment to better accommodate a diverse range of employees and create a better gender balance, especially in manufacturing sector.

Reducing greenhouse gas (hereafter, “GHG”) emissions is a top priority requiring greater use of renewable energy and higher-efficiency equipment. Progress has been made with solar power generation systems to secure our power supply and address the rising cost of electricity, but more work is needed. Ceramics manufacturing is power-intensive and emits significant GHG. We are therefore implementing aggressive efficiency measures to reduce manufacturing times and increase furnace productivity. Our GHG reduction program will stand on the three pillars of rising renewable energy use, installing new equipment with the highest power efficiency, and improving our manufacturing productivity.

Another example of our group's efforts to address societal needs with unique products and services is our FOREARTH inkjet textile printer, which was announced in Japan and Italy this year. Conventional textile printing requires tremendous volumes of water in washing and dyeing processes, leading to serious river and soil pollution. FOREARTH resolves this issue with an innovative technology for water-free textile printing. In addition, FOREARTH overcomes the long-standing inability

of conventional equipment to print fabric economically in small quantities, which can help end the practice of producing huge fabric and garment inventories that become waste as fashions change.

Regarding renewable energy, we are not only adopting it internally, but also promoting the trend toward net-Zero Energy Housing (ZEH) in apartment complexes by combining our power storage batteries with solar electric generating systems. Our components businesses are also focused on this initiative through high-efficiency energy-saving lighting devices now under development using our proprietary laser device technology.

To bring value to society, we must continue developing products that can help solve environmental and societal challenges. Some have suggested that we withdraw from the solar energy business if it is not sufficiently profitable. However, we have continued this business because it addresses a societal need. I believe we must continue businesses that contribute solutions to societal challenges. This is one of the key ideals built into Kyocera by our founder, Kazuo Inamori.

Toward achieving the medium-term management plan

Sharing our commitment to growth: announcing the plan’s strategic focus on semiconductor and electronic components

In our medium-term management plan, we set a goal of achieving 2.5 trillion yen in annual sales revenue, with 14% pre-tax profit ratio, and 7% return on equity (ROE) by the fiscal year ending March 2026. Further, by the fiscal year ending March 2029, we are targeting sales of 3 trillion yen, pre-tax profit of 20%, and ROE of 10% or more.

Earlier in my career, Kyocera experienced a long period of rapid expansion; however, after 2000, our growth slowed down. I experienced both eras, and in comparison, I feel that Kyocera’s earlier vitality was greater. Consequently, we decided that re-energizing the company would call for us to target a new stage of growth,

so we set a lofty goal of 3 trillion yen in annual sales. The medium-term management plan represents our desire to steadily move forward in achieving this. In fact, we felt it would be better to share our commitment not only within the company but also with external stakeholders, to create a greater sense of urgency, so we announced our targets publicly. The announcement was received very favorably by our stakeholders, who have found our strategies and directions easy to understand, and employees have seen it as an exciting plan as well. We expect strong growth in the parts-related business, especially in the Core Components segment's semiconductor-related products. This market is poised to expand in the near future as mass production of 3-nanometer semiconductors begins in 2023. We will make aggressive upfront investments, allocating nearly half of our plan’s total capital investment to semiconductor-related parts. In addition, we will build a new factory in Isahaya City, Nagasaki Prefecture, to open in fiscal 2027, and will accelerate other initiatives such as building new production systems and introducing new equipment to manufacture cutting-edge products.

In the Electronic Components segment, Kyocera made U.S.-based KYOCERA AVX Components Corporation (hereinafter, “KYOCERA AVX”) a wholly owned subsidiary two years ago. This was done to promote growth by integrating Japan-based electronic components headquarters, which is strong in Japan and Asia, and KYOCERA AVX, which is strong in U.S. and Europe. Currently, KYOCERA AVX is responsible for all sales in Europe and U.S., and will expand into Asia starting in 2023. The two groups are collaborating in manufacturing and development, and are moving toward full integration by establishing sub-segments together in multilayer ceramic capacitors (hereafter, “MLCCs”), connectors, and R&D. Kyocera’s advanced technology in miniaturized products, like crystal components and MEMS oscillators, will be further commercialized. KYOCERA AVX is very strong in tantalum capacitors, and it will develop continuously. By combining our strengths, we will make this segment

a pillar for growth.

In the Solutions segment, we plan to continue developing businesses that can help resolve societal challenges. We are continuing the solar cell business which offers significant social value. To ensure a flexible response to evolving demands in Japan's energy market, we will sell renewable electricity in addition to solar cells.

Our Communications unit will stop targeting smartphones for the consumer market, and will focus instead on providing rugged mobile solutions for enterprise and professional users. These decisions were based on annual assessments of business performance. Underperforming segments are tasked to redefine their business mission as part of the "selection and concentration" process of deciding whether to

continue or withdraw from businesses. Although Solutions sales revenue certainly grew in the past two years, profits have not met expectations. We will continue to pursue the approaches specified by the medium-term management plan to expand profits and improve both ROE and price-to-book ratio (PBR).

To strengthen management and achieve our vision:

Reinforcing a culture of openness and employee engagement by maximizing the unique strengths of Amoeba Management

The term "material" in the Kyocera Management Rationale is generally understood as "compensation." The term "intellectual," however, is harder to define. To ensure a fulfilling workplace, I believe we must continually optimize growth opportunities for everyone and maintain a culture of openness where all employees can feel comfortable and secure. To facilitate this, we began conducting evaluations of supervisors by their employees in Japan operations during FY 2024. We also conduct annual workplace vibrancy surveys to monitor the changes over time. Because employee satisfaction with the work environment is not always immediately evident, we must continually seek better ways of measuring our success. We need performance indicators for other social and environmental activities as well and are currently considering systems to do this.

One of the functions of Kyocera's unique Amoeba management system is to cultivate a "managerial mindset" among all employees, which is suitable for small groups of about 10 members. In the past, when Kyocera was smaller, managing the profit-and-loss status of an Amoeba was simpler. Today, some individual departments sell billions of yen per month, and the size of many Amoebas has expanded, which creates challenges for the existing profit management system.

At the same time, the technologies we work with today have become so advanced that it is often no longer possible for a single engineer to complete a task alone.

A team-based approach is more important than ever to solve problems. This will require us to evolve our systems, including Amoeba Management indicators, according to the scale of our business.

The image of a leader leading a team has also changed. The top-down style of directing a project by giving orders is obsolete. We need leaders who pull teams together and bring out everyone's strengths. While this involves trial and error, we are working through the process to not only grow our business, but also win employees' hearts and minds.

Approaches to Governance

Enhancing Sustainability Through Corporate Governance and Risk Management

Chairman Goro Yamaguchi is leading an effort to enhance the effectiveness of the Board of Directors. Following the election of Directors at the 69th General Meeting of Shareholders, two of our three Outside Directors now bring chief executive experience from other companies. Outside Directors with top executive perspectives strengthen discussion of business operations and targets, making Board meetings more productive. Of course, opinions from directors with other backgrounds, such as law, are also valuable, and we will continue to seek diverse viewpoints. As part of our policy to enhance gender balance on the executive team, we elected one female Outside Director, and two female Executive Officers.

We have implemented a variety of new risk management initiatives since FY 2023 and are now discussing whether to maintain the current framework or expand it. Rising digitalization and globalization are increasing risk exposure on multiple fronts, including cyberattacks. Which was perpetrated on KYOCERA AVX in 2023. To prevent recurrence, we are continuously investigating the risk landscape and strengthening security with new countermeasures. At the same time, we are as-

sessing the rising risk from climate change, which causes unprecedented weather events and local natural disasters. We are reinforcing our initiatives aggressively in recognition of these risks.

To our stakeholders

Accelerating growth by developing new businesses that address societal needs

To achieve the medium-term plan, the Kyocera Group will fund aggressive capital investment and R&D focused on high-growth markets. We will strive to create innovative new products and services in collaboration with stakeholders to address the most urgent needs confronting society. In addition to expanding our businesses, we believe solving problems in the world around us can also fuel employee engagement.

Higher growth rates require us to expand our businesses and improve our Amoeba Management system. By enhancing the unique features of Amoeba Management, we can raise employee satisfaction and fulfillment. We will also prioritize communication with stakeholders and timely transparent disclosure of corporate information to the public.

The Kyocera Group's target of 3 trillion yen in annual sales through our medium-term management plan represents a natural extension of our Management Rationale: "To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind." Please look forward to our achievement of these goals. We appreciate your continued support.



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

Awareness of the External Environment

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

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

Environmental Awareness/ Input (strengths)

Business Activities

Output

Outcomes

Priority Markets

Information & Communication

Beyond 5G• IoT

- Electronic components such as ceramic packages and MLCCs
- Systematization such as local 5G and factory IoT at plants

Automotive

ADAS•MaaS•EV

- Development of systems that support autonomous driving and safe driving
- Industrialization such as of LIDAR, sensor cameras, and cooperative vehicle-highway system

Environment & Energy

Carbon neutral

- Hardware such as storage batteries in addition to solar power generating systems
- Infrastructure building such as ADR and smart cities

Medical & Healthcare

Preventive medicine and digital health care

- High-quality implants that realize an even higher QOL
- Devices and systems to support advanced medical care

Contributing to the Digitalization of Society



Aim to realize a society where people can feel higher sense of satisfaction



Create a safe, comfortable and environmentally friendly motorized society



Contribute to the creation of an environmentally friendly society



Contribute to improvement of Quality of Life (QOL) and the development of medicine

Improved Corporate Value

- Financial capital**
- Consolidated sales revenue **3 trillion yen**
 - Profit before income taxes ratio **20%**
 - ROE **10% or higher**

- Manufacturing capital**
- Establishing a global manufacturing foundation
 - Productivity improvement in preparation for higher demand
 - Safe, accident-free workplaces

- Intellectual capital**
- Promoting technological and product development, and building the research and development infrastructure to meet diversifying global needs
 - Achieving business transformation by promoting digitalization

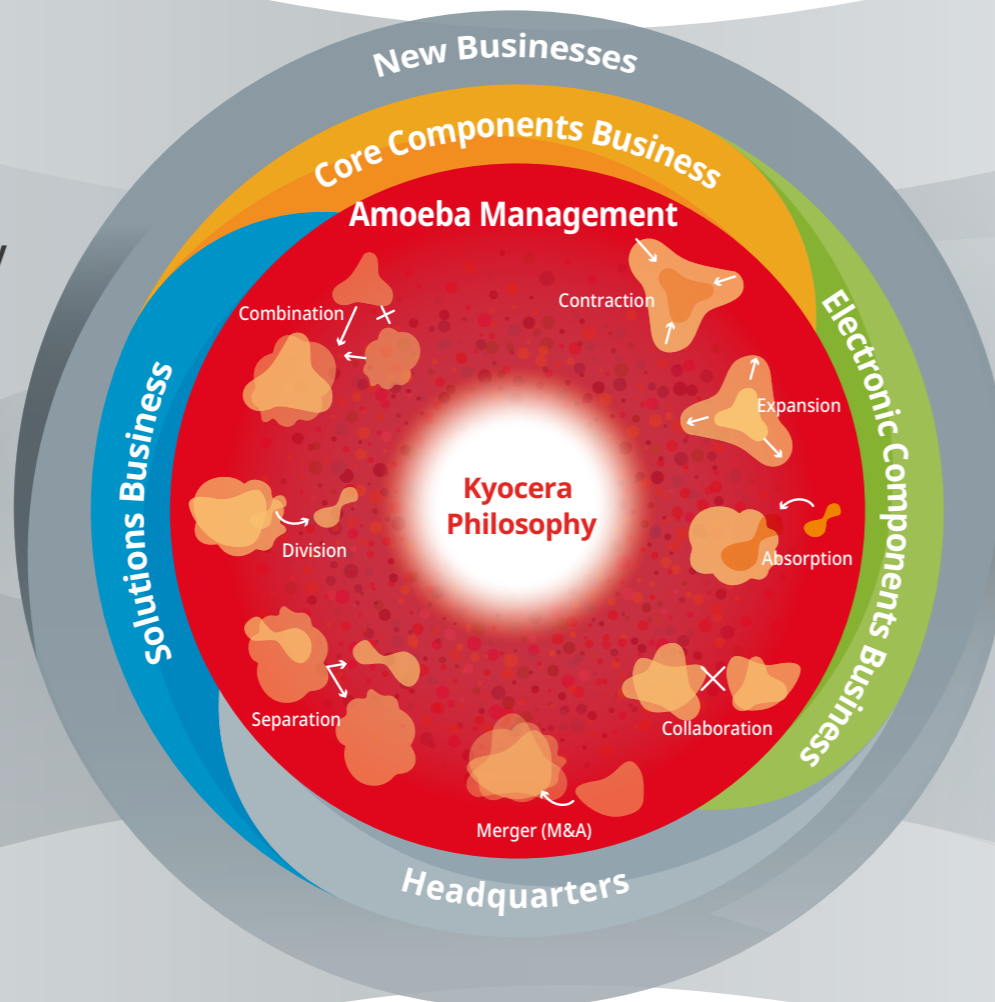
- Human capital**
- Active promotion of human resources with diverse skillsets
 - Nurturing vibrant and talented human resources who will continue to take on new challenges
 - Leading by example: Sharing and propagating our Kyocera Philosophy
 - Expanding abilities by gaining business skills and specialized knowledge

- Social capital**
- Building a global customer base
 - Creating value via open innovation
 - Achieving mutual prosperity throughout the entire supply chain

- Natural capital**
- Reducing our global environmental impact
 - Preserving our environment through sustainable products and services

Strengths

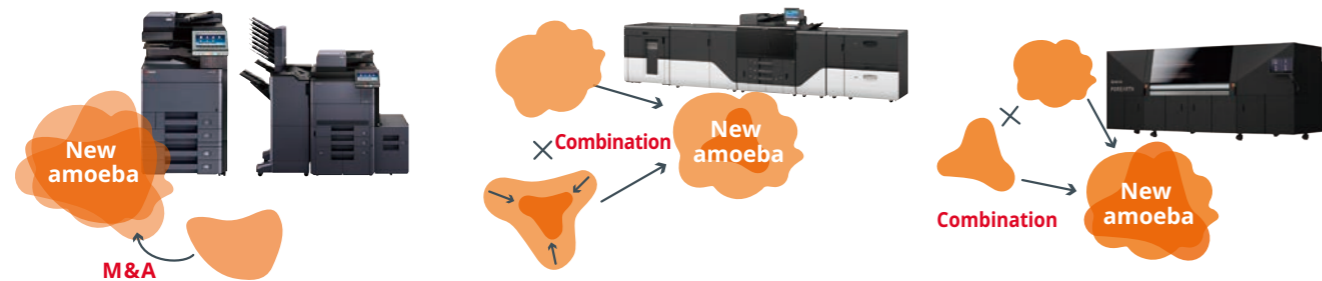
- Firm Management Philosophy
- Strong Financial Foundation
- A Wide Variety of Proprietary Technologies
 - > Various key technologies cultivated to date
 - > New technologies created and acquired through R&D and M&As



Value Creation with Amoeba Management

Document Solutions

Kyocera's Document Solutions business has expanded both through M&A and by integrating internally-developed technologies. In 1982, we obtained a printer business through M&A from an information equipment manufacturer, and in 2000, we obtained a multifunction peripheral (MFP) business by acquiring the former Mita Corp. (now Kyocera Document Solutions, Inc.) as a wholly owned subsidiary. Initially, the printer business faced challenges in developing high-speed printing technology, while the MFP business was challenged to adopt full-color imaging and digitization. By integrating their respective technologies, we succeeded in overcoming both major challenges. Later, by combining Kyocera's image-processing and paper-feed technologies with our deep expertise in functional devices, Kyocera introduced commercial-grade inkjet printers in 2019. In response to environmental issues, Kyocera created new value by developing an inkjet textile printer in 2023 that integrates printhead technologies developed by our Printing Devices Division with ink and device technologies from Kyocera Document Solutions. This innovative solution reduces water requirements in textile printing to virtually zero, making print location independent of water supply; and, its highly compact design fills only a small fraction of the floor space needed by conventional equipment. Best of all, Kyocera's technology overcomes a traditional barrier of conventional printing by making even small-quantity print runs economically feasible, solving the long-standing problem of waste in textile production by eliminating the need for large inventories that often become unsold scrap as fashions change.



FIR camera

"FIR camera" have an important role in road-traffic cooperating systems. It captures the "heat" emitted by objects, can image cars and pedestrians even under conditions such as bad weather or at night. Kyocera is developing the FIR camera with Adasky, a joint venture company based in Israel of which Kyocera is also an investor. We are also developing the technology for automotive applications usage.



Automotive Camera Module

Applying optical design expertise accumulated through its former camera unit to new automotive camera applications, Kyocera is conducting research and development on imaging technologies with software that performs highly reliable human- and vehicle- recognition functions. We see strong potential for this business as ADAS systems expand, with excellent potential to improve traffic safety.



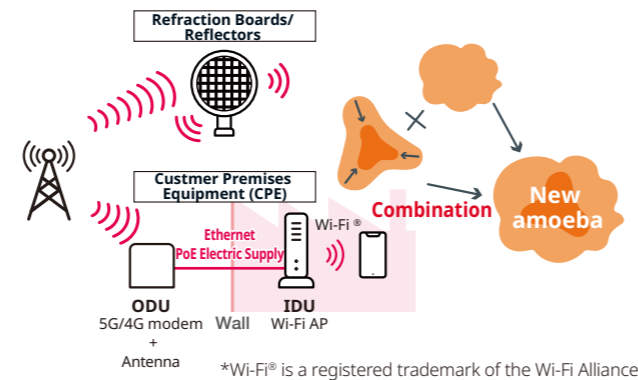
High-efficiency GaN Laser

Gallium nitride (hereafter, GaN) has attracted attention as a promising material in the quest to achieve carbon neutrality. Kyocera acquired 100% ownership of U.S.-based Sora Laser Diode, Inc., which manufactures high-efficiency, high-output lasers, and brought it into the group as KYOCERA SLD Laser, Inc. (KSLD). By combining KSLD's technologies with in-vehicle modules from KYOCERA AVX Components Corporation (which acquired the former AB Elektronik), Kyocera is developing next-generation EV laser modules, including smart headlights. GaN lasers have become very useful in creating new products for a wide range of other markets as well.

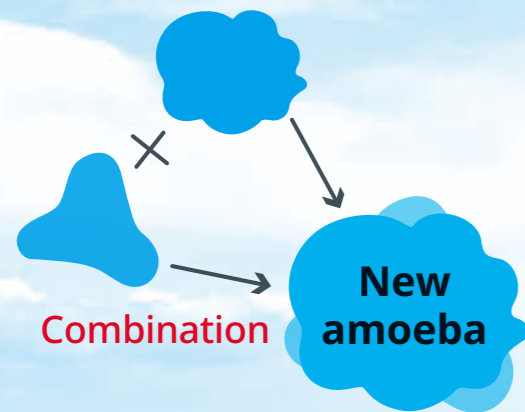


5G millimeter-wave technology

As 5G services expand worldwide, millimeter-wave technology is attracting new attention in the push for higher network speeds and capacity. Leveraging a diverse IP portfolio accumulated through decades in the communications industry, Kyocera is conducting research and development on millimeter-wave devices, including refraction boards, reflectors, and customer-premises equipment (CPE) as we accelerate our approaches to realize more a convenient and comfortable communication environment.



FOREARTH* inkjet textile printer solves environmental problems by integrating technologies of diverse Amoebas



The textile and apparel industries make significant environmental impact through large volumes of wastewater and material waste. To solve these longstanding problems, Kyocera developed the innovative FOREARTH inkjet textile printer by integrating the unique core technologies of several diverse Amoebas.

Over many years of development, Kyocera acquired deep expertise in inkjet technology for commercial- and industrial-scale printing. Our inkjet printheads were developed using unique fine ceramic technologies that enable superior image quality, instant response time, and extreme durability in high-speed digital “on-demand” printing. Combining these technologies with advanced ink development, machine design and equipment control technologies from Kyocera Document Solutions, we established a water-free concept that can solve environmental issues in the textile and apparel industries. Kyocera’s technology also overcomes quality issues in conventional textile printing, which can’t deliver consistent results on a wide range of textiles. In addition, by eliminating pre- and post-print processes, our technology dramatically reduces equipment size, expanding potential location and installation options. At the same time, Kyocera’s digital on-demand printing can produce small lots economically with very quick delivery times, greatly reducing the risk of overstocked apparel, mass disposal, and GHG emissions.

FOREARTH’s “Triple-Free” Concept

FOREARTH delivers new value, providing solutions to societal issues and enabling high-quality printing.



Water-Free Concept
Reduces water use in textile printing to near zero



Creative Freedom
Achieves both soft texture and high durability on a wide variety of fabrics



Location Freedom
Reduces distribution costs and overstock waste through expanded location options and on-demand printing

* FOREARTH is a registered trademark of Kyocera Corporation.



Future Market Development

Kyocera introduced FOREARTH in Milano, Italy, at ITMA 2023, the world’s leading exhibition for cutting-edge textile and garment technologies. FOREARTH attracted widespread attention due to its sustainable concept and high-quality, soft-texture printing on a wide range of fabrics. Kyocera will begin pre-sales of the printer in autumn 2023. The textile printing industry is currently dominated by traditional dyeing methods. However, global demand to reduce environmental impact is expected to lead an industry-wide shift to sustainable pigment inks and digital textile printing. Kyocera will continue developing new solutions based on the FOREARTH concept to reduce the environmental footprint of the textile and apparel industries worldwide.



ITMA 2023

Addressing Priorities (Materiality)

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

	Materiality	● Risk / ○ Opportunity	Targets (◆) and Initiatives (•)		Detail page
Contributing to Society Through Our Business	Further growth through new segment structure	<ul style="list-style-type: none"> ○ Rising sales through mid- to long-term expansion of semiconductor markets ○ Increased demand for electronic components through expanding technologies such as AI/5G ○ Potential for products / services to address sustainability and other societal needs 	<ul style="list-style-type: none"> ◆ Achieving 2.5 trillion yen in sales revenue, medium-term target • Focusing on semiconductor markets • Expanding market share by maximizing synergies between Kyocera and KYOCERA AVX 	<ul style="list-style-type: none"> • Focusing on capacitors, timing devices, and connectors • Expanding business through strategic initiatives • Creating new businesses to address societal needs 	<ul style="list-style-type: none"> • Core Components Business ▶P.15 • Electronic Components Business ▶P.16 • Solutions Business ▶P.17
	Aggressive investment in high-growth semiconductor-related businesses	<ul style="list-style-type: none"> ○ Rising sales through mid- to long-term expansion of semiconductor markets ● Risk concentration (increased dependence on semiconductor markets) 	<ul style="list-style-type: none"> ◆ Investing up to 400 billion yen in semiconductor equipment during three-year period ending March 2026 	<ul style="list-style-type: none"> • Increasing production of cutting-edge semiconductor fabrication and packaging components 	<ul style="list-style-type: none"> • Core Components Business ▶P.15
	Improving productivity through digitalization	<ul style="list-style-type: none"> ○ Increasing productivity and efficiency ● Information leakage and system failures ● Inability to achieve cost reduction targets through digitalization 	<ul style="list-style-type: none"> ◆ Improving employee proficiency in digitalization through onsite education, training and practice • Implementing education and training by position and function for a digitalization-savvy workforce • Reviewing business processes to create in-house digitalization and AI platforms 	<ul style="list-style-type: none"> • Expanding business by combining sales and market information • Enhancing manufacturing with IoT data and automation 	<ul style="list-style-type: none"> • Digitalization: Fostering New Corporate Culture ▶P.31
	Reinforcing R&D	<ul style="list-style-type: none"> ○ Developing business through internal R&D ● Inability to achieve expected results from newly developed technologies 	<ul style="list-style-type: none"> ◆ Achieving three trillion yen in sales during FY 2030 • Developing technologies to advance existing businesses 	<ul style="list-style-type: none"> • Exploring future technologies • Implementing collaborative R&D between segments 	<ul style="list-style-type: none"> • Special Issue ▶P.11 • R&D Promotion ▶P.18 • New Business Creation ▶P.19
	Incubating new businesses to address societal needs	<ul style="list-style-type: none"> ○ Rising global environmental awareness creates demand for new businesses ○ Potential revenue from new businesses ● Inability to achieve expected results through newly established businesses 	<ul style="list-style-type: none"> ◆ Targeting new projects with 100 billion yen sales potential • Identify and develop new business opportunities that address societal needs 	<ul style="list-style-type: none"> • Expand into new growth areas and increase business scale through M&A • Commence sales of inkjet textile printers 	<ul style="list-style-type: none"> • Value Creation with Amoeba Management ▶P.10 • New Business Creation ▶P.19
Promoting Sustainable Management	Achieving carbon neutrality	<ul style="list-style-type: none"> ○ Greater brand value through successful response to societal needs ● Higher compliance costs from new laws and regulations ● Damage to corporate brand value from inability to respond to issues 	<ul style="list-style-type: none"> ◆ GHG target (Scope 1, 2 / 1.5°C level): 46% reduction by FY2031 compared to FY2020 levels ◆ GHG target (Scope 1, 2, 3 / 1.5°C level): 46% reduction by FY2031 compared to FY2020 levels 	<ul style="list-style-type: none"> ◆ Renewable energy adoption: Increase 20X by FY2031 compared to FY2014 usage ◆ Achieving carbon neutrality by FY2051 • Promote renewable energy • Promote company-wide energy efficiency 	<ul style="list-style-type: none"> • Approaches to Carbon Neutrality ▶P.28-29
	Building a circular economy	<ul style="list-style-type: none"> ○ Increased profits through energy savings, conservation, and advanced recycling technologies ● Higher compliance costs from new laws and regulations 	<ul style="list-style-type: none"> ◆ Target content, post-consumer recycled materials (PCRs) used in MFP/printer enclosures and toner containers: 1% or more in 2023; 5% or more in 2024 • Reusing materials and components through collection of used MFPs and printers 	<ul style="list-style-type: none"> • Reducing paper use through improved packaging • Using environmental design standards for product design/development 	<ul style="list-style-type: none"> • Contribution to Circular Economy ▶P.30
	Reinforcing human capital	<ul style="list-style-type: none"> ○ Competitive advantages from workforce diversity ● Labor shortage due to shrinking labor pool 	<ul style="list-style-type: none"> ◆ Target for eligible male employees taking childcare leave: 50.0% in FY2026 ◆ Target for management positions held by female employees: 8.0% by FY2026 • Sharing Kyocera Philosophy • Employee skills development 	<ul style="list-style-type: none"> • Corporate culture promoting diversity • LGBTQ awareness/inclusivity • Developing more attractive work environment 	<ul style="list-style-type: none"> • The Kyocera Group Human Capital ▶P.24 • Promotion of Diversity & Inclusion ▶P.25
	Respect for human rights	<ul style="list-style-type: none"> ○ Enhancing brand value through successful response to societal needs ● Potential human rights issues impacting Kyocera Group or its value chains ● Damage to corporate brand value from inadequate human rights assurance measures 	<ul style="list-style-type: none"> ◆ Building a human rights “due diligence” system throughout Kyocera Group by FY2026 • Identify any Kyocera Group human rights issues 	<ul style="list-style-type: none"> • Conduct fact-finding surveys of any issues • Survey guest-worker practices at Japan-based Kyocera Group companies and suppliers 	<ul style="list-style-type: none"> • Respect for Human Rights ▶P.26
	Improving stakeholder engagement	<ul style="list-style-type: none"> ○ Improving stakeholder relationships through communication ○ Improving corporate transparency ● Damaged stakeholder relationships due to poor communication 	<ul style="list-style-type: none"> ◆ Continue stakeholder communications to build trust • Reply swiftly to customers • Act on workplace survey results 	<ul style="list-style-type: none"> • Hold financial results briefings with shareholders and investors • Seminars and social events for business partners • Discuss social contribution activities with community and business partners 	<ul style="list-style-type: none"> • Improving Stakeholder Engagement ▶P.27
	Reinforcing risk management	<ul style="list-style-type: none"> ○ Enhancing risk management, and responding effectively during emergency ● Disaster impact, damage to corporate image, or prolonged business interruption, due to lack of disaster countermeasures 	<ul style="list-style-type: none"> ◆ Annual BCP education and training • Create/review early recovery and alternative supply plans 	<ul style="list-style-type: none"> • Identify corporate risks and countermeasures from Risk Management Committee • Reinforce risk management processes 	<ul style="list-style-type: none"> • Risk Management and Business Continuity Plan (BCP) Initiatives ▶P.33
	Ensuring sustainable supply chains	<ul style="list-style-type: none"> ○ Sustainable growth by ensuring strong supply chains ● Human rights issues in supply chains ● Damage to corporate brand value from inadequate human rights assurance measures 	<ul style="list-style-type: none"> ◆ Human rights and labor: Ensure 0% high-risk transaction rate through supply chain survey ◆ Ethics: Ensure 0% high-risk transaction rate through supply chain survey 	<ul style="list-style-type: none"> • Identify risks faced by business partners through the supply chain survey, and implement countermeasures • Survey guest worker practices at Japan-based Kyocera Group companies and suppliers 	<ul style="list-style-type: none"> • Supply Chain Management ▶P.34