



INTEGRATED REPORT

2023



KYOCERA Corporation

Corporate Motto

敬天愛人

“Respect the Divine and Love People”

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

Management Rationale

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 the Bonds of Human Minds

Kyocera started as a small, suburban factory, with no money, credentials or reputation. We had nothing to rely on but a little 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. Kyocera developed into what it is today because it is based on the bonds of human minds.



Founder
Kazuo Inamori



Chairman of the Board and Representative Director,

Goro Yamaguchi

President and Representative Director,

H. Tanimoto

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

Since its founding in 1959, our enterprise has expanded under a unique 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.”

To achieve our new target of three trillion yen in annual sales revenue during the fiscal year ending March 2029, the Kyocera Group has established a Three-year Medium-term Management Plan, which begins in the fiscal year ending March 2024. This plan focuses on reinforcing our foundation for growth through sustainable management and capital strategies; enhanced corporate governance; business selection and concentration; and an aggressive investment campaign.

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

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

Editorial Policy

Reference guidelines, etc.

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



*GRI: Global Reporting Initiative Guidance for Collaborative Value Creation

Scope of the Report

Reporting Period:
April 1, 2022 to March 31, 2023
(Data outside of this period is provided where it is appropriate to report based on past or recent data or activities.)

Target Organization:
The Kyocera Group
(Whenever the target organization differs, it is so specified.)

Indication of Company:
The Company is indicated in this report as follows:
Kyocera, the Company:
KYOCERA Corporation
The Kyocera Group, the Group:
KYOCERA Corporation and its consolidated subsidiaries
Group companies:
consolidated subsidiaries

Cautionary statements with respect to forward-looking statements

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

Indication

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

Third-party Assurance

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

Information Disclosure System

	Annual Report		WEB
Financial Information	Annual Report	Financial Statements	Investor Relations
Non-Financial Information	Integrated Report	Corporate Governance Report	Sustainability

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“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.

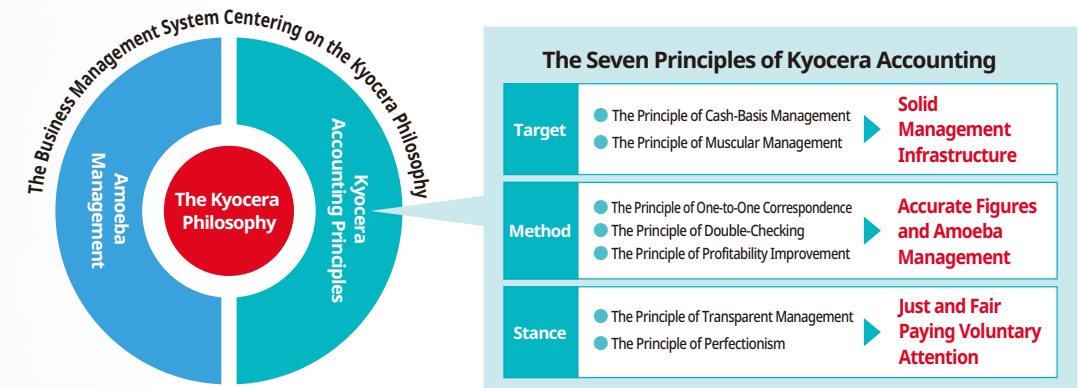
The Kyocera Philosophy Shared by Employees

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.

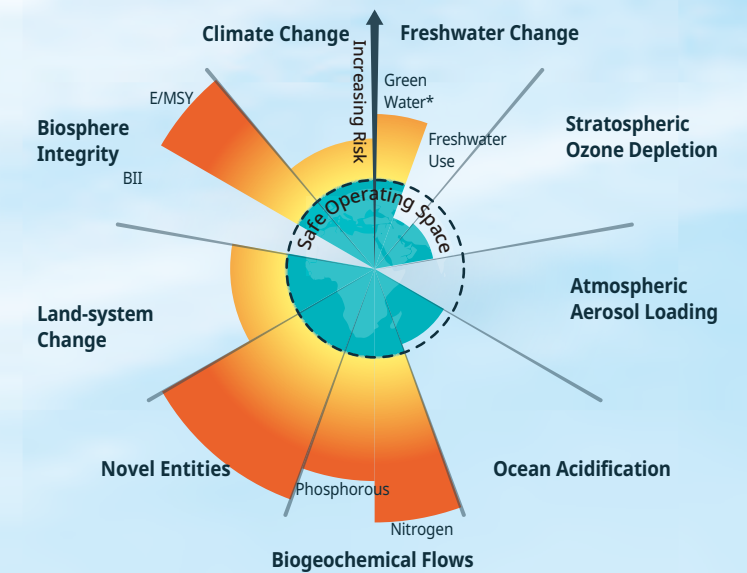
Living Together. To coexist harmoniously with our society, our global community and nature. Harmonious coexistence is the underlying foundation of all our business activities as we work to create a world of prosperity and peace.

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



■ Beyond zone of uncertainty (high risk)
■ In zone of uncertainty (rising risk)
■ Below boundary (safe)

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

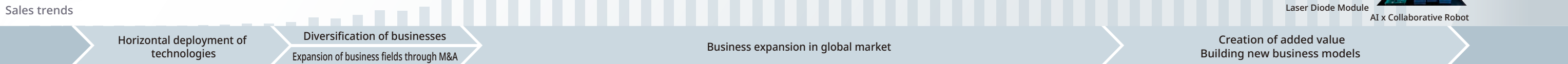
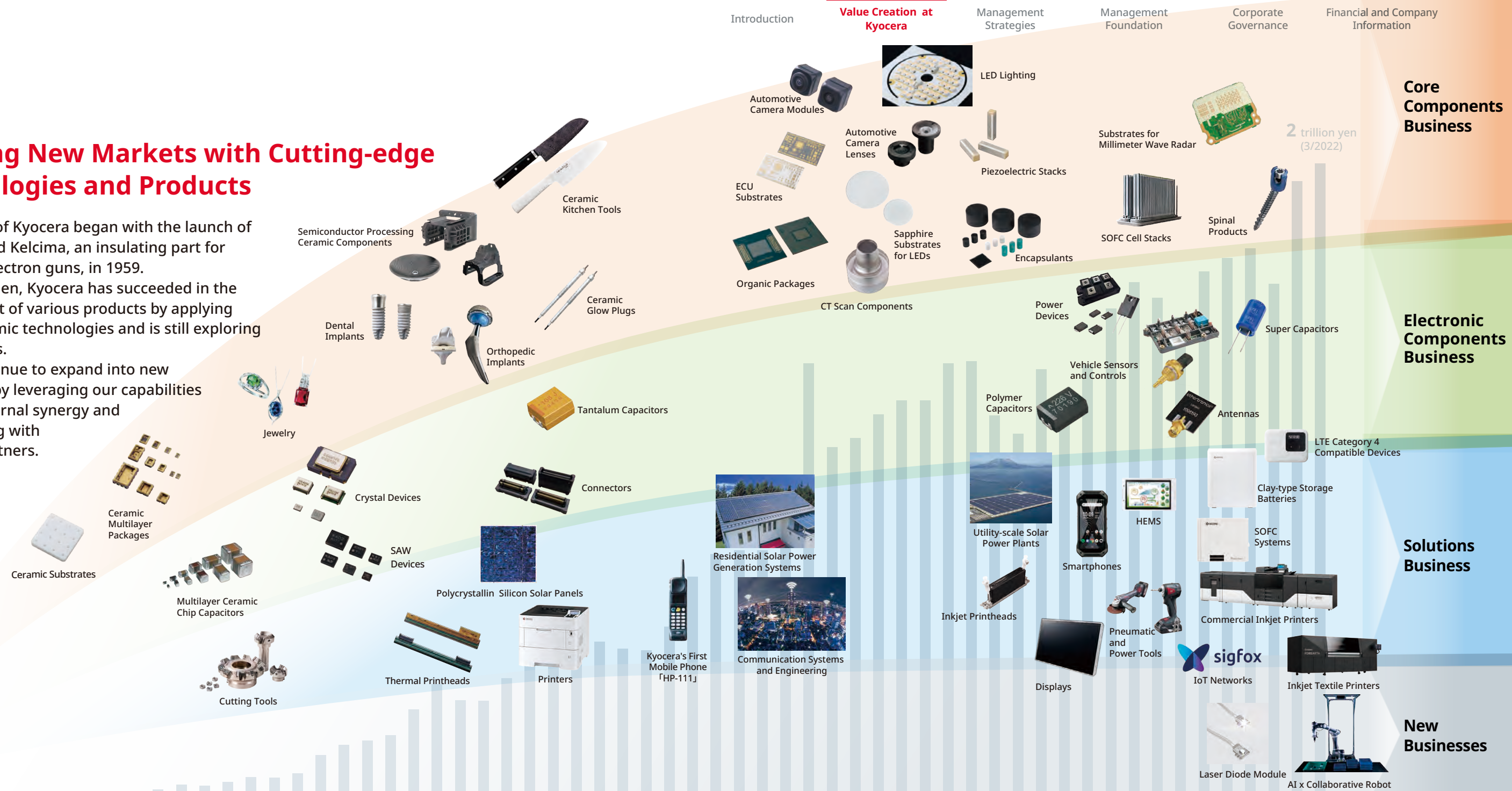
Source: Azote for Stockholm Resilience Centre, based on analysis by Wang-Erlandsson, et al. 2022

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.



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

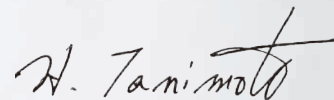
*Company names in the chronology may have changed.

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



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

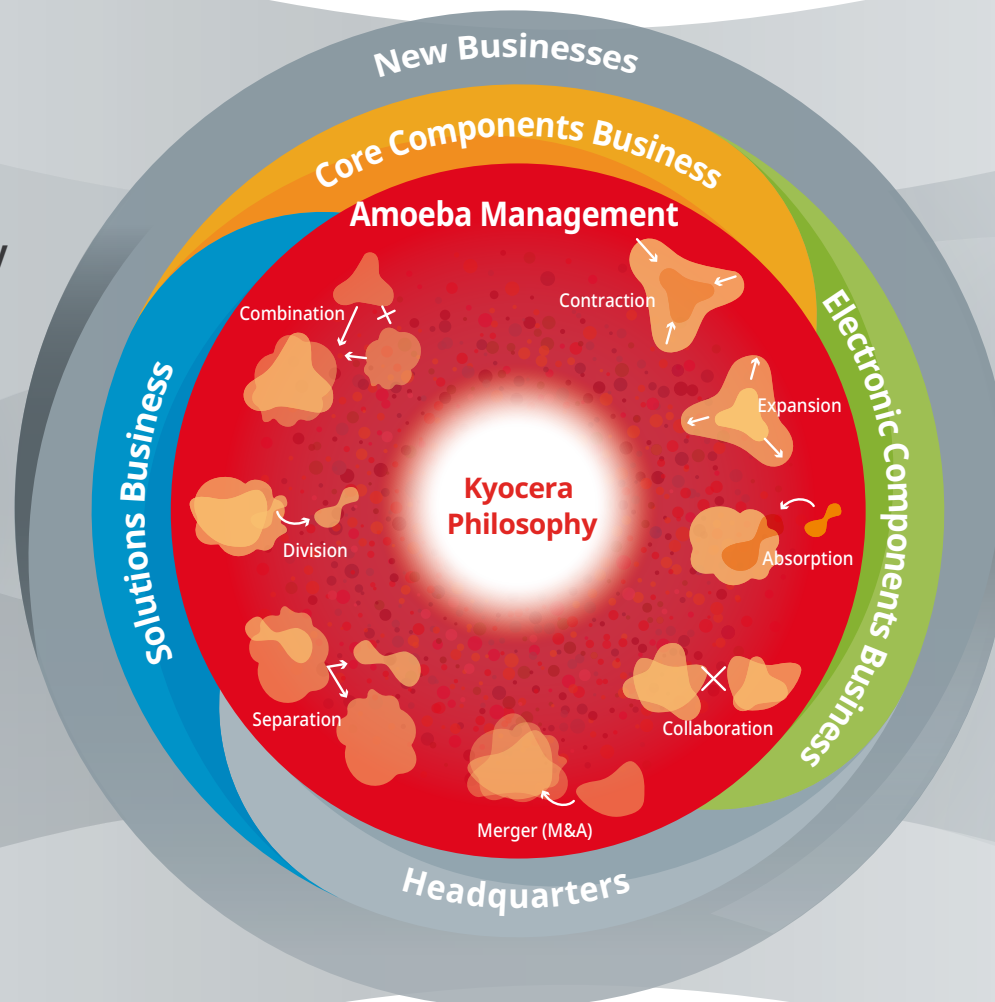
- Human capital**
- Active promotion of human resources with diverse skillsets
 - Nurturing vibrant and talented human resources who will continue to take on new challenges
 - Leading by example: Sharing and propagating our Kyocera Philosophy
 - Expanding abilities by gaining business skills and specialized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

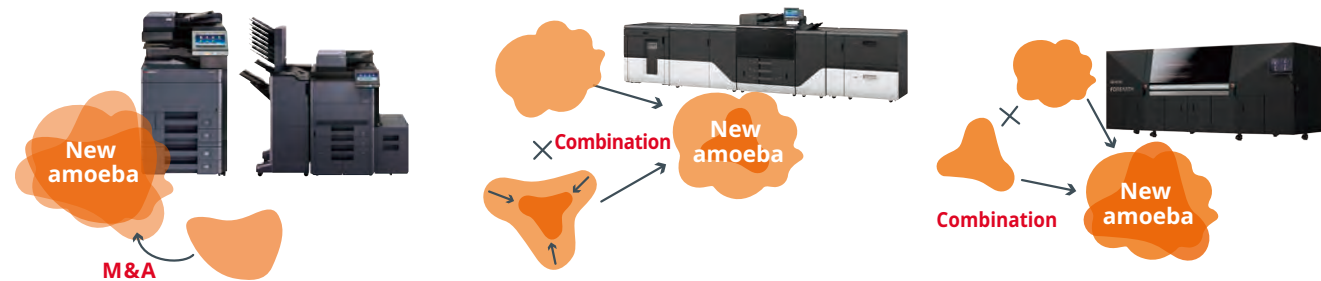
- Firm Management Philosophy
- Strong Financial Foundation
- A Wide Variety of Proprietary Technologies
 - > Various key technologies cultivated to date
 - > New technologies created and acquired through R&D and M&As



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.



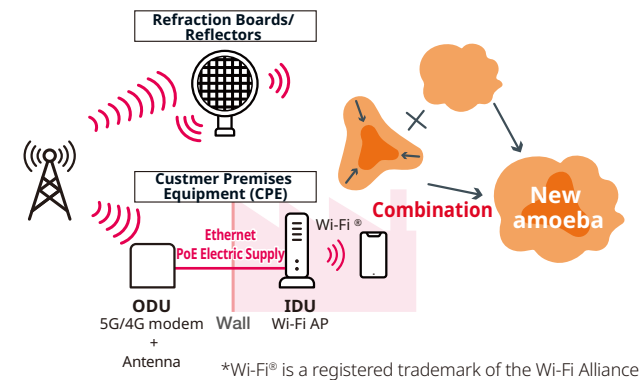
High-efficiency GaN Laser

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

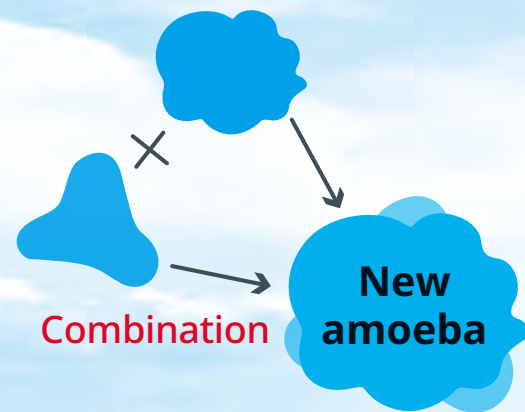
As 5G services expand worldwide, millimeter-wave technology is attracting new attention in the push for higher network speeds and capacity. Leveraging a diverse IP portfolio accumulated through decades in the communications industry, Kyocera is conducting research and development on millimeter-wave devices,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



Amoeba Management



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

Medium-term Management Plan

The Kyocera Group strives always to operate in ways that uphold its 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.”

To achieve growth while adhering to this Management Rationale, the Kyocera Group has established a new Medium-term Management Plan.

Semiconductor markets are expected to expand rapidly as AI and 5G applications become widespread, which will improve our living standards.

At the same time, there is a growing demand for solutions for global societal needs such as climate change.

The Kyocera Group views these changes in business environment and society as opportunities. Our management plan is based on creating products, technologies and businesses that respond directly to societal needs while realizing strong returns and restoring our high-growth orbit.

Six-year targets

Fiscal Year Ended March 31, 2001
Sales Revenue:
1 trillion yen

Fiscal Year Ended March 31, 2023
Sales Revenue:
2 trillion yen

Fiscal Year Ending March 31, 2024 » Fiscal Year Ending March 31, 2026
Medium-term Management Plan
 Fiscal Year Ending March 31, 2026
Sales Revenue: **2.5** trillion yen
Profit* Ratio: **14%**

Fiscal Year Ending March 31, 2029

Sales Revenue: **3** trillion yen
Profit* Ratio: **20%**

Management Strategies

- Execute unprecedented investment program continuously
- Achieve high growth by focusing group resources on fields of competitive advantage
- Improve profitability through digital transformation
- Optimize allocation of management resources by expediting business continuity/withdrawal decisions

Strengthening Our Management Foundation

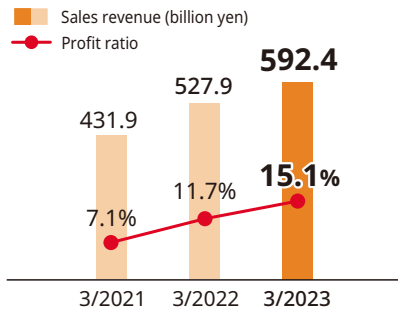
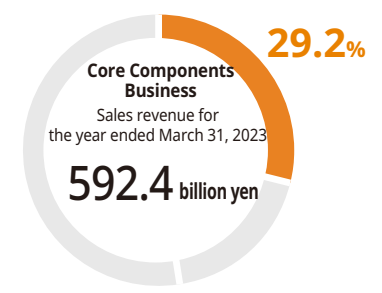
- Promote sustainability
- Advance capital strategies
- Enhance corporate governance

* Profit before income taxes

At a Glance

Sales Composition Ratio Sales Revenue/Profit Ratio Financial Results for Year Ended March 31, 2023 Major Products and Services

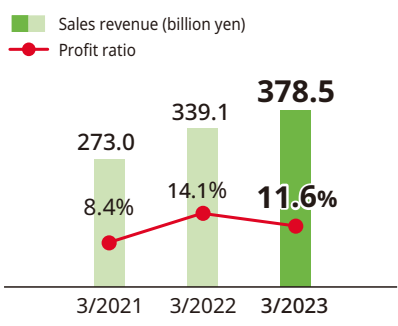
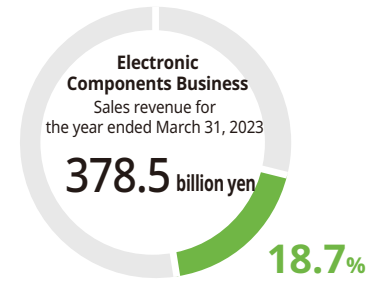
Core Components Business



Sales revenue for the year ended March 31, 2023 increased by 64.5 billion yen (12.2%) over the previous year, to 592.4 billion yen. Business profit increased by 27.9 billion yen (45.2%) over the previous year, to 89.5 billion yen; and, business profit ratio improved to 15.1%. Sales revenue increased due mainly to rising sales of high-value-added products, such as organic packages and boards for information and communication infrastructure-related markets in the Semiconductor Components Unit, as well as fine ceramic components for semiconductor processing equipment in the Industrial & Automotive Components Unit. Business profit increased significantly due to increased sales, as well as the impact of the weaker yen.

Industrial & Automotive Components Unit	Semiconductor Components Unit	Others
<ul style="list-style-type: none"> Semiconductor Processing Ceramic Components EV Relay Part Automotive Camera Modules Optical Units for Industrial and Medical Use Glass Spherical Lenses SOFC Cell Stacks Oxygen Sensor Heaters 	<ul style="list-style-type: none"> Ceramic Packages Organic Packages Substrates for Millimeter Wave Radar 	<ul style="list-style-type: none"> Dental Implants Jewelry Ceramic Kitchen Tools Orthopedic Implants

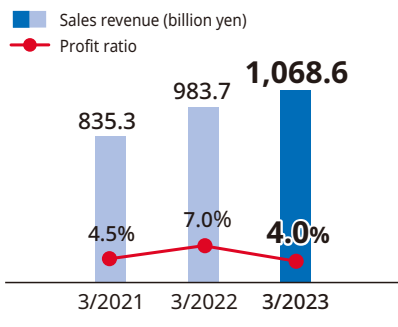
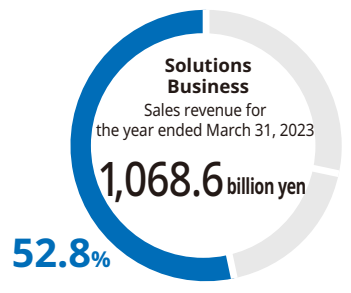
Electronic Components Business



Sales revenue for the year ended March 31, 2023 increased by 39.4 billion yen (11.6%) over the previous year, to 378.5 billion yen. However, business profit decreased by 3.8 billion yen (-8.0%), to 44.1 billion yen; and, business profit ratio declined to 11.6%. Sales revenue increased due to growing demand for components such as ceramic capacitors, mainly for industrial and automotive-related markets, and due also to the weaker yen. However, business profit decreased due to higher costs for various raw materials and inputs, weaker demand for smartphone components, and extraordinary charges including pension obligations in the Kyocera AVX Components Corporation Group.

Multilayer Ceramic Chip Capacitors	Tantalum / Polymer Capacitors	Super Capacitors	Antennas
Crystal Devices	SAW Devices	Power Devices	Connectors

Solutions Business



Sales revenue for the year ended March 31, 2023 increased by 84.9 billion yen (8.6%) over the previous year, to 1,068.6 billion yen. However, business profit decreased by 26.5 billion yen (-38.5%), to 42.2 billion yen; and, business profit ratio declined to 4.0%. Sales revenue increased due to rising sales of major products as well as the impact of the weaker yen in the Document Solutions Unit and the Industrial Tools Unit. However, business profit decreased, due to a substantial decline in sales of mobile phones in the Communications Unit, as well as the recording of a one-time cost in connection with structural reforms, including inventory write-downs, and higher costs for raw materials, energy and logistics in each business.

Industrial Tools Unit	Document Solutions Unit	Communications Unit	Others
Cutting Tools	MFPs	Communication Engineering	Solar Cells
Pneumatic and Power Tools	Printers	Smartphones	SOFC Systems
	Commercial Inkjet Printers	5G Devices	Clay-type Storage Batteries
			Inkjet Printheads
			HUDs

Core Components Business



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

Hiroshi Fure

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

Our Core Components segment comprises following businesses: fine ceramic components(our founding product line), automotive components, optical components, semiconductor-related components, medical equipment, and jewelry.

In semiconductor-related markets, which have strong growth potential, we are expanding capital investment to increase production capacity and productivity while addressing societal needs. In regard to the reinforcement of management infrastructure, we are increasing the speed of human resource cultivation and the optimization of business processes to address common segment-wide issues that have not been sufficiently responded to by individual divisions. We continue to cultivate a corporate climate that promotes future dreams and work positively to facilitate success and realize the management philosophy.

Market Environment and Demand

Within the semiconductor market, compound annual growth rates (CAGR) for logic chips and memory chips are estimated at 11% and 5%, respectively, with rising demand for cutting-edge products in the medium-to-long term. Regarding semiconductor manufacturing equipment, advancing technology is changing manufacturing models and processes, fueling demand for fab upgrades. Between 2022 and 2030, demand for exposure equipment is expected to double, while demand for etching and film formation equipment is expected to increase 2.5x. Demand for organic package substrates, currently in an adjustment phase, is expected to grow alongside network investment in the medium-to-long term. In these circumstances, our Core Components Unit will focus on large multilayer substrates for high-added-value applications, and will collaborate with strategic clients to promote business expansion.

Major Impact of the Medium-term Management Plan

Kyocera's Semiconductor Components Unit will expand sales to 490 billion yen, with increased production of organic package substrates for information and telecommunications applications. The Industrial & Automotive Components Unit will expand sales to 250 billion yen, with increased production of fine ceramic parts for cutting-edge semiconductor manufacturing equipment. In regard to investment, we will work closely with customers to finalize plans while confirming procurement and construction cycles to promote rapid completion of new plants and buildings. Three-year capital investment is planned to expand from 172.6 billion yen in the current three-year period to 400.0 billion yen, a 2.3x increase, in the next three years. Through the establishment of new buildings preparing for a long-term increase in demand, and conducting reconstruct of existing buildings, we are improving the productivity and expanding the production capacity of major projects. This capital investment is planned to achieve production capacity increases of 2.4x in semiconductor organic components; 1.8x in fine ceramic components; and 1.4x in semiconductor ceramic components. It represents the greatest capital investment campaign in the Kyocera Group's history, and will prepare us for expansion in the medium-to-long term.

Vision

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

Priority Measures

1 Reinforcing Semiconductor-related Market Strategy

Anticipating high medium- to long-term growth in semiconductor-related markets, we are increasing production and investment aggressively in package substrates and fine ceramic components for semiconductor manufacturing equipment. We will increase both capacity and productivity, promoting the development of smart factories through reconstruct efforts at existing plants, expanding DX, and building new factories, as we prepare for future expansion of demand.

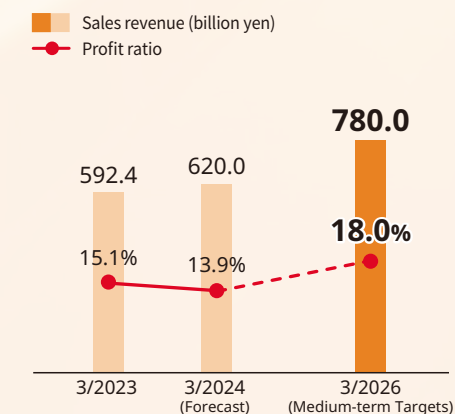
2 Enhancing Our Sustainable Business Structure

We will accelerate efforts to reduce energy consumption by modeling electricity demand at each facility, designing efficiency enhancements, and deploying them horizontally within each segment.

3 Human Resource Cultivation through Project Activities

We organize cross-departmental projects to resolve urgent priorities quickly, while emphasizing skills development and employee motivation. By linking these initiatives to human resource development, we can build a foundation for employee advancement and continued growth.

Business Targets



Examples of Priority Measures

Expanding Production of Organic Package Substrates

» Increasing Capacity and Improving Yield with Cutting-Edge Equipment

We are currently prioritizing production capacity expansion for organic package substrates, which are expected to drive growth. Demand for PCs and smartphones is currently weak, and inventories have increased at network-related customers due to deferred data-center investment. In the medium- to-long term, however, demand for organic package substrates will grow to support the higher-performance semiconductors required by generative AI applications, 5G communications, and automotive safety systems. In response, we are expanding our Kagoshima Sendai Factory to increase production of high-end large multilayer packages and substrates. We plan to increase monthly production capacity of flip-chip ball-grid array (FC-BGA) packages by 2.3x to support network-related customers.



Conceptual drawing: New building at Kagoshima Sendai Factory (planned to open in March 2025)

Construction of New Factories in Japan

» Existing Plants Undergo Reconstruct Efforts; New Factory Site in Isahaya City, Nagasaki Prefecture Will Further Expand Manufacturing

After reassessing our response to the rapid expansion of demand over the past two years, Kyocera is now planning up-front investments from a medium- to long-term perspective to expand production capacity and enhance our work environment. Beyond expanding existing manufacturing factories, it has been about 20 years since Kyocera last built an all-new factory at a new location in Japan. After studying the local transportation infrastructure, human resources, energy costs and other factors, we recently acquired land for a factory on a new industrial site in Isahaya City, Nagasaki Prefecture. We are planning to manufacture fine ceramic components there for semiconductor manufacturing equipment and semiconductor package substrates, which are expected to rise in demand. Production will start in the fiscal year ending in March 2027, and annual production is planned to reach 25 billion yen in the fiscal year ending in March 2029.



Conceptual drawing: New factory in Isahaya City, Nagasaki Prefecture (planned to open in March 2027)

Electronic Components Business



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

**Koichi
Kano**

Managing Executive Officer
Deputy Executive General
Manager of Electronic
Components Business

**Shiro
Sakushima**

Executive Officer
Deputy Executive General
Manager of Electronic
Components Business

**Jeff
Schmearsal**

By focusing on our core areas of expertise and leveraging synergies between Kyocera and KYOCERA AVX, we aim to increase market share and profitability to achieve our medium-term management goals.

The Electronic Components Segment represents a fusion between Kyocera's Japan-based Electronic Components Group and our U.S.-based global subsidiary, KYOCERA AVX. In the electronic components markets, which is predicted to grow, we continue providing products and solutions that are differentiated from our competitors, aiming to maintain our advantage as an industry leader in customer support. Based on the relationship of trust between Kyocera and KYOCERA AVX built up over more than 30 years of collaboration, we will leverage our respective strengths to create synergies that provide new value to society.

Market Environment and Demand

The electronic components market expands by facilitating new advances in electronic equipment. Among major Kyocera Group products, connectors are forecast to grow at 4% CAGR, multilayer ceramic capacitors (MLCCs) at 10%, timing devices at 5%, and polymer tantalum capacitors at 7%. We will actively implement these major products into growth industries, such as industrial equipment, in-vehicle components, medical care, and aerospace technologies, by utilizing global sales networks, distribution channels, small and high-precision technologies contributing to IC integration that KYOCERA AVX possesses. We aim to maintain high market share in tantalum capacitors and timing devices, while expanding our share of the MLCC and connector markets. We continue to expand market share through the establishment of our unique technologies with a focus on fields in which we maintain a competitive advantage utilizing such technologies.

Major Impact of the Medium-term Management Plan

We aim to increase market share and profitability by leveraging synergies where Kyocera and KYOCERA AVX have differing core competencies. KYOCERA AVX's global sales networks and relationships with leading customers represent strong drivers for the expansion of Kyocera electronic component sales. In regard to manufacturing, we will implement Kyocera production technologies into KYOCERA AVX facilities seeking energy savings and efficiency to improve productivity. These synergies will be vital to our goal of expanding the electronic components business faster than the market's overall growth rate. Investments to optimize production will also include new facilities in Thailand and at Kagoshima Kokubu plant in Japan, and automated production lines at KYOCERA AVX's existing production sites aiming to expand the production capacity of our major products.

Vision

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

Priority Measures

1 Investing in Fields of Competitive Advantage

Our aggressive capital investment will focus on next-generation oscillation components for timing devices, tantalum capacitors, and MLCCs for aerospace, medical, and industrial applications.

3 Improving Productivity Through Automation

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

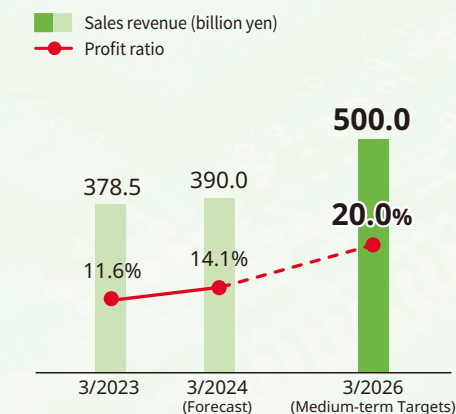
2 Expanding Global Production Bases

We will optimize our global manufacturing network by increasing production and building a supply system for key products — including MLCCs at KYOCERA AVX's new factory in Thailand, and crystal components at its factory in Vietnam.

4 Developing Unique Technologies

We will combine KYOCERA AVX's advanced capabilities in the design of low-ESL products with Kyocera's small-form-factor MLCC production technologies. In addition, the group's U.S. R&D base will continue to conduct research on cutting-edge technologies.

Business Targets



Examples of Priority Measures

Strengthening Sales Synergies Between Kyocera and KYOCERA AVX

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

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



Global "One Face" Sales Structure

Investment Strategies

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

We are planning active investment to optimize the Kyocera Electronic Components Group and KYOCERA AVX production bases. By establishing the global production system in preparation for the expansion of production capability, and actively adopting digital technologies essential for automation and labor saving, we are planning for capital investment of 210 billion yen for three years. Specifically, in addition to the construction of a new factory building at KYOCERA AVX Thailand and a new building at the Kokubu Factory in Kagoshima Prefecture, we are promoting labor saving and implementing automated lines into KYOCERA AVX bases with the aim of achieving an increase in production of 1.9 x for MLCC, 1.8 x for timing devices, and 1.4 x for tantalum capacitors compared with the fiscal year that ended in March 2023.



Conceptual drawing: New building at Kagoshima Kokubu Plant (planned to open in November 2024)

Solutions Business



Director, Managing Executive Officer
Executive General Manager of
Solutions Business

Norihiko Ina

We strive for the further expansion of our business as we pursue growth strategies, structural reform, and creation of new businesses aiming to provide solutions that meet our customers and societal challenges.

The Solutions segment consists of seven product lines: information equipment, industrial tools, telecommunications equipment and services, printing devices, smart energy, and displays. These product diversity help us maximize business opportunities by leveraging interdivisional synergies to address new market needs. Ultimately, these synergies give birth to new businesses that contribute to humanity and society.

Market Environment & Demand

As sustainability awareness rises globally, the products and services offered by Kyocera's Solutions segment are also required to be energy efficient and recyclable. In energy-related markets, demand for renewable energy is expected to grow further due to rising electricity prices and growing interest in achieving a sustainable society. In the communication market, expectations for high-capacity, low-latency communications are expected to increase in the future due to the spread of 5G millimeter wave and other factors. The Solutions segment will accurately identify these market environments and demand trends and contribute to solving the problems of customers and society by providing environmentally friendly products and solutions to social issues.

Major Targets of the Medium-Term Management Plan

Our Solutions segment encompasses a wide range of businesses. We continually assess each business in terms of market and profit potential and concentrate resources to maximize growth. Existing businesses focus on developing new products and services to address evolving market needs. Those with low profit performance will develop structural reform plans for rapid improvement. For ideas that are "one step away" from commercialization, we link them with existing product lines and other initiatives to achieve early commercialization. In addition, we utilize a variety of frameworks to create new mechanisms for generating the next new business idea. Through these efforts, we aim to achieve sustainable growth in existing businesses, while developing new businesses that respond to the needs of our customers and society.

Examples of Priority Measures

Growth Strategies and Reforms at Key Product Lines

Information Equipment Growth Strategies

In the information equipment and printers businesses, we will seek greater market share by aggressively introducing new environment-friendly products that expand on our long-life design expertise. In the commercial inkjet printer market – the next frontier in printing – we will provide a unique on-demand print solution that respond to the need for multi-type small lot, reduces waste, and contributes to a sustainable future. Further, using our Enterprise Content Management (ECM) system, which can centralize documents, images, and other data scattered across the network, we will help more customers optimize their workflows and information management for more sustainable operations.

Vision

Make as many people as possible happier and society better

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

Priority Measures

1 Growth Strategies and Structural Reform for Existing Businesses

Our plans to expand existing businesses involve implementing new growth strategies and enhancing lower-profit, lower-growth businesses through structural reform.

2 Expanding Businesses Through Product Line Synergies

Kyocera aims for synergies, combining unique capabilities from diverse product lines for results that can't be achieved through conventional methods.

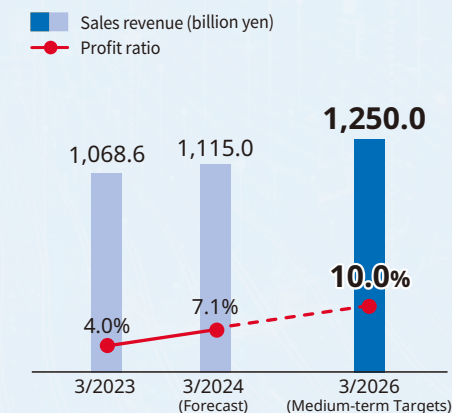
3 Growth Through Early Commercialization

We will seek competitive advantage by swiftly commercializing new concepts, including inkjet textile printers and AI-based collaborative robot services.

4 Creating New Businesses

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

Business Targets



Structural Reform: Corporate Smart Energy Group

In addition to building and selling solar cells, Kyocera's Smart Energy division will launch a higher-value-added business offering solar cell and storage battery systems and renewable power services. These reforms will contribute to higher profitability for the company and a more sustainable world for consumers.

Developing Collaborative Product Line Synergies

Maximizing Software Competencies

Manufacturing hardware and applied knowledge software have become equally important in developing new products and services. We will achieve new synergies by maximizing the software competencies currently deployed at each product line globally. Original hardware and software proficiencies will create the new frameworks to expand our business.



Maximizing software competencies

Commercializing New Concepts Sooner

From Concept to Market: Environment-Friendly Products (Inkjet Textile Printer)

P.11

The inkjet textile printer is an example of Kyocera's swift approach to commercializing new products. Enabled by our unique printhead and pigment technologies, Kyocera's water-free concept eliminates a massive source of industrial wastewater, solving one of the textile printing industry's greatest sustainability challenges. Our miniaturized equipment also offers greater freedom to locate "on-demand" print sites closer to delivery locations. This maximizes small-lot and quick-delivery advantages, and avoids mass disposal due to overstocking, greatly reducing environmental impact.



Inkjet textile printer

Creating New Businesses

New Businesses That Address Societal Needs

By examining the markets and capabilities of each product line, integrating them, and exploring innovative solutions to societal needs, the Kyocera Group will create new businesses for sustainable growth.

Expanding R&D

Our Vision

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

Collaborative Value Creation

Ranging from materials to services, the Kyocera Group’s diverse businesses serve four main markets: information and communications; automotive; environment/energy; and medical/healthcare. Sustainable growth requires collaboration internally, across segments, and externally, including open innovation with engineers in other companies and in academia. By building collaborative relationships, we hope to provide greater value to society by fulfilling our Management Rationale and creating a more sustainable future.

● In-house Collaboration

» R&D in Japan

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

» R&D Outside Japan

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

● External Collaborations

» With Other Companies

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

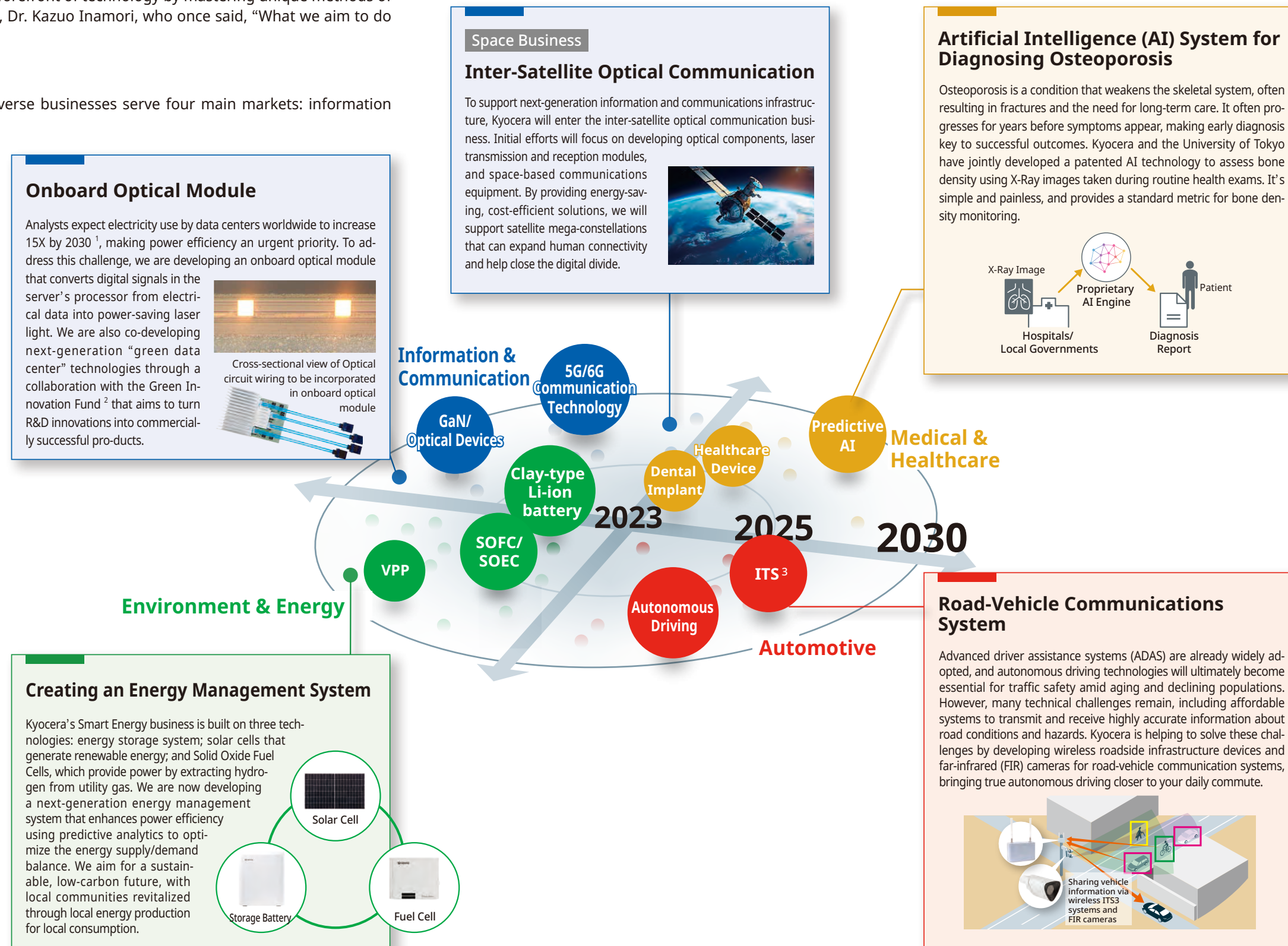
» With Universities

We aim to create ripple effects on markets and society through comprehensive alliances with universities, combining innovative research perspectives in science, technology, and economics. In March 2023, Kyocera participated in a collaboration with University of Tokyo, and we now are in discussions with Kyushu University in planning curricular themes.

Note 1: Calculated by using the “Impact of Progress of Information Society on Energy Consumption” created by the Center for Low Carbon Society Strategy at the Japan Science and Technology Agency (JST)
 Note 2: Funding project performed by the New Energy and Industrial Technology Development Organization (NEDO)

Creating New Value

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



Note 3: Intelligent Transport System

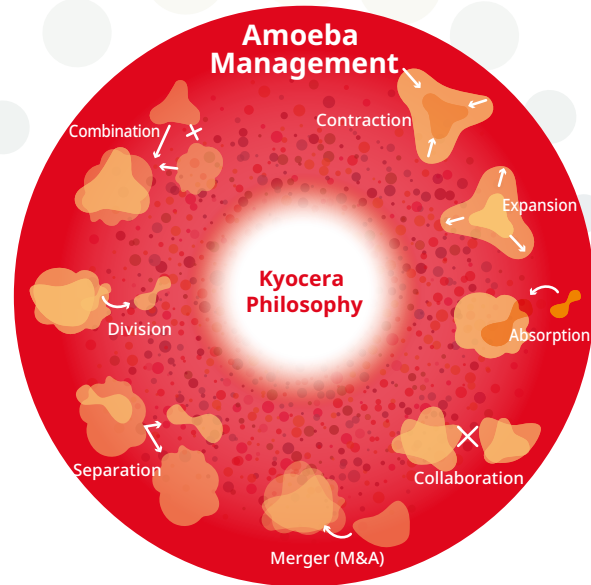
New Business Creation

As a key strategy for sustainable growth, Kyocera invests aggressively in research and development to create new businesses that maximize social and economic value. New businesses begin through a three-phase process: opportunity identification, business development, and commercialization. The organizational structure supporting each phase focuses on creating new products and services that respond to societal needs.

Business Development

Commercialization

Opportunity Identification



Inter-Satellite Optical Communication

By providing cost-effective, energy-efficient optical modules for inter-satellite communication, we help establish a high-speed satellite network connecting users virtually anywhere on Earth. Such network will help bridge the gap between urban areas with advanced communications technologies and rural areas with poor communication environments due to the topography and other factors.

Automating Agriculture: Dwarf Rice ▶P.20

We are developing methods to address population-related food supply challenges by improving rice and lettuce yields using our proprietary LED lighting and automation technologies.

Enhancing Offshore Aquaculture ▶P.21

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

Onboard Optical Module

Kyocera's onboard optical module reduces electricity demand at data centers by converting electric signals into optical signals at the board level. Our goal is to help data centers around the world to reduce their power consumption, which is now rising dramatically.

Millimeter Wave Technology

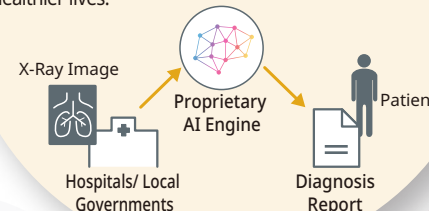
We will continue to advance information technologies by developing millimeter-wave solutions, expanding the speed, coverage and capacity of 5G communications networks.

Road-Vehicle Communications System

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

Artificial Intelligence (AI) System for Diagnosing Osteoporosis

By applying AI to X-Ray images taken during routine exams, we can assess bone density for early detection and treatment of osteoporosis, promoting longer and healthier lives.



Intelligent Collaborative Robot

In response to a shrinking labor pool, we use AI, 3D cameras, and cloud services to make intelligent collaborative robots useful in more applications.



High-Efficiency GaN Laser

Using gallium nitride (GaN), which is attracting attention as the next-generation material, we are developing high-output laser devices with greatly reduced power requirements, opening a new path to carbon neutrality while enabling new applications like ultra-high speed communication over laser light.



Inkjet Textile Printer ▶P.11

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



Contributing to biodiversity and food security with the cultivation of plants utilizing LED technology

Growing dwarf rice with LED lighting proven in lettuce cultivation

As part of our commitment to create businesses that address global needs, Kyocera has developed specialty light-emitting diode (hereafter, LED) technology for plant cultivation and has accumulated unique expertise. This lighting, based on violet-excitation LED devices, has already been applied to cultivate lettuce and other crops in Controlled Environment Agriculture. Kyocera is collaborating with business partners to improve this system toward establishing a business infrastructure for edible crop cultivation under optimized lighting. Global population is increasing, and demand for staple foods like rice is projected to outpace population growth by a factor of 2x, increasing the likelihood of food shortages.* Kyocera is experimenting with dwarf rice, a variety of limited height (about 20cm) suitable for indoor multi-shelf cultivation with artificial lighting systems.

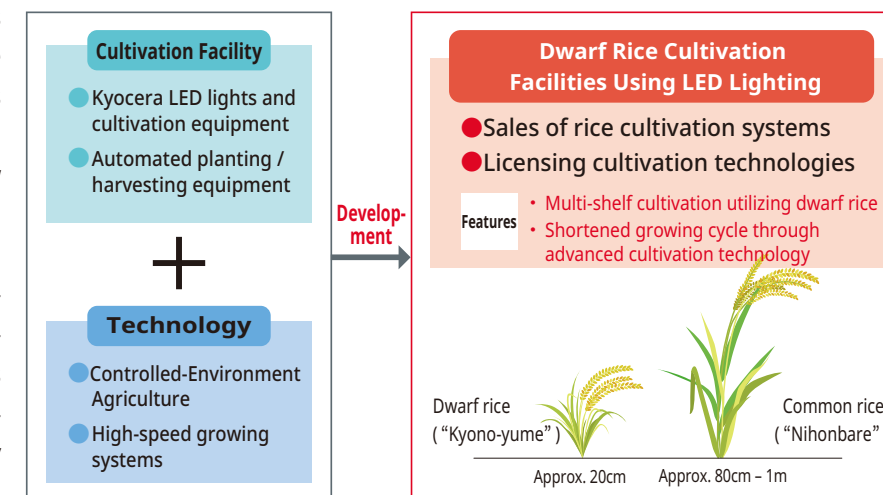
* Calculated using data from World Population Prospects, the 2022 Revision, UN; World Food Supply and Demand Projections to 2031: The Results by the World Food Supply and Demand Model, Japan's Ministry of Agriculture, Forestry and Fisheries; and World Agricultural Supply and Demand Estimates, U.S. Department of Agriculture (March 8, 2023).

Cultivating Lettuce with Higher Nutrient Density Using LED Technology

Kyocera tested its first prototype LED lights for lettuce cultivation systems in 2014. Since then, our further development has succeeded in growing lettuce of higher nutritional value, including vitamin C levels comparable to grapefruit. Controlling the cultivation environment using LED lighting makes it possible to grow lettuce with more favorable characteristics, including superior flavor, as compared with cultivation under direct sunlight or other lighting systems.

Enhancing Rice Cultivation with Optimized Lighting and Advanced Cultivation Technology

Kyocera will help resolve climate-related food insecurity in the most distressed regions of the world by supporting a new paradigm in agriculture. An improved rice cultivation technology using LED lighting could address malnutrition in developing regions, and could even be adapted to supply food for long-term lunar missions in the 2030s. Kyocera's experiments have shown encouraging results with dwarf rice, which is suitable for indoor multi-shelf Controlled Environment Agriculture. This system using Kyocera's LED lights is conducive to automation. We continue to collaborate with partner enterprises that share our business objectives and philosophy for the development of new cultivation systems, product distribution and sales into regional markets. Through further development of our unique technologies in high-speed cultivation systems, we aim to ensure annual crop yields exceeding those possible by conventional sunlight cultivation, and achieve early commercialization of this business.



MESSAGE



Collaborating in developing LED lights and automated cultivation systems for dwarf rice

Professor, Kyoto Prefectural University Graduate School of Life and Environmental Sciences

Takehiro Masumura

“Kyono-yume” is a dwarf rice variety that grows only about 20cm high. This makes it ideal for multi-shelf hydroponic cultivation at indoor growing facilities. It also has a short growing season — about three months from transplanting to harvest. The Kyocera Group has been working on LED lights tailored to dwarf rice cultivation with an automated cultivation system. We look forward to commercializing this technology.

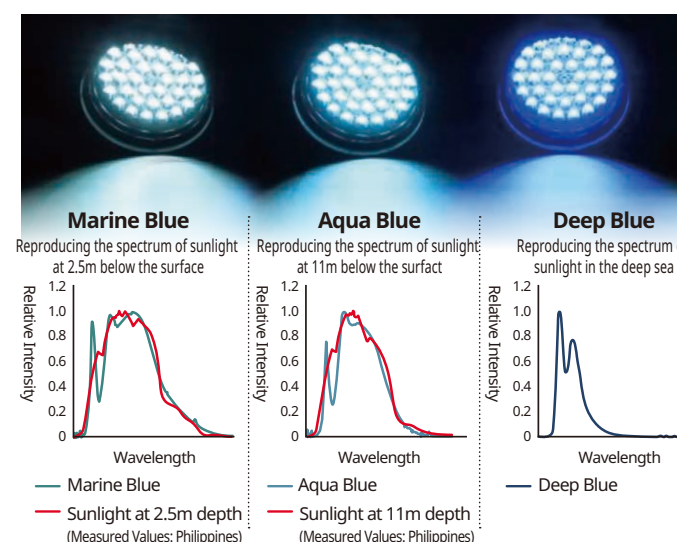


Introducing Kyocera's specialized LED lighting system for marine life, now used in aquariums throughout Japan

Kyocera started development of LED lighting for coral farming in response to a business owner's request. Coral is difficult to culture, requiring a light spectrum very close to natural sunlight. When Kyocera began developing this technology, LED devices had already replaced fluorescent, mercury, and metal halide lamps in many conventional applications; however, LED lighting had never been successful in coral aquaculture. Kyocera thus created an LED solution optimized for marine life using LED light-mixing technologies developed by our CERAPHIC brand. We analyzed light spectra from water depths of 1m to 11m, and succeeded in creating the same spectra using LED devices — yielding a “marine blue” replicating the 2.5m environment and an “aqua blue” closely matching the spectra at 11m. Joint research with Shizuoka University verified marine blue and aqua blue as the most suitable for natural coral habitats at these respective depths. Kyocera introduced this aquarium LED lighting to the market in late 2018, and it has since been adopted by Niigata City Aquarium and many others throughout Japan.

LED Lighting Suitable for Coral and Other Aquatic Plants

Until recently, no equipment existed to measure the spectrum of sunlight underwater. Using devices that Kyocera developed to measure light at various undersea depths, we succeeded in obtaining offshore measurements around Bohol Island in the Philippines. The LED devices Kyocera created using this environmental data have been on the market since late 2018.



Aiming for Innovation in Aquaculture Using an IoT-controlled LED Lighting System to Optimize Growth

As part of the “COI-NEXT” program announced by Japan’s Science and Technology Agency (JST) in March 2023, Kyocera joined the Nagasaki Blue Economy, an industry/academia co-creation effort to promote sustainable seafood production using open innovation. We are now proceeding through joint research with Nagasaki University and our own unique technologies to identify ways of preserving the marine environment while ensuring food security. Specifically, we are developing highly managed aquaculture based on smart offshore systems; and sustainable aquaculture technology using advances in synthetic seeds, or “synseeds.” Our joint research is targeting unprecedented innovations that enable IoT-controlled aquaculture using LED lighting systems to optimize the growth of marine resources and seafood production with low environmental impact.

*CERAPHIC is a registered trademark of Kyocera Corporation.

Promoting Biodiversity Through IoT-Controlled Aquaculture and LED Lighting

In joint research with Nagasaki University, Kyocera is developing new technologies for growing fish, shellfish, and algae using light-optimizing LED devices and IoT-controlled aquaculture systems.

Nagasaki University
[Nagasaki Blue Economy]
Intelligent aquaculture



IoT Business Development Department
[Energy Harvesting Smart Buoy]
Power generation and monitoring/ Telecommunication and remote management



FL Business Development Department
[CERAPHIC®]*
Sunlight-Spectrum LED / Fish Culturing LED / Biological Conditioning LED



MESSAGE

Kyocera technology promises major contributions to aquaculture

Institute for East China Sea Research, Organization for Marine Science and Technology, Nagasaki University

Kiyoshi Soyano (Professor)



In the future, fish and shellfish farming will require producers to minimize labor requirements and environmental impact. This will require remote monitoring of fish and the marine environment, and automated AI-based feeding systems. New technologies are needed to enable more efficient growth, higher yields, shorter growth cycles and lower production costs. Custom-engineered LED lighting technology has shown great promise in aquaculture. We believe that Kyocera’s marine engineering technology and LED lighting expertise have the potential to change the future of the fishing industry.

Headquarters



Director, Managing Executive Officer
Executive General Manager of Headquarters

Shoichi Aoki

Reinforcing the Kyocera Group's management foundation to achieve sustainable growth

To ensure sustainable growth, our business must fulfill societal needs. As part of this effort, our Headquarters section provides comprehensive support to optimize the Kyocera Group businesses worldwide. To achieve the targets of our new medium-term management plan, we also promote sustainable management while strengthening our capital strategies and governance structure. The Headquarters section is committed to reinforcing the management foundation of the Kyocera Group.

	Main Initiatives to Strengthen Our Management Foundation
Capital Strategies	To become a high-growth, high-profit company, Kyocera continues active business investment for the expansion of existing businesses and the creation of new businesses. We will also improve returns to shareholders through the provision of high-level dividends and share repurchases.
Enhancing Human Capital	In addition to continuing the Kyocera Philosophy and education for skill development, we have improved the work environment by promoting diversity and inclusion and office reforms to create a vibrant workplace where all employees can reach their full potential.
Respect for Human Rights	The Kyocera Group identifies key human rights issues and conducts surveys throughout our value chain to assess actual practices. To ensure culture that respects human rights, we will work to address any risk areas and strengthen our human rights due diligence.
Digital Transformation (DX)	As societal needs take on new urgency, we implement company-wide digital transformation (DX) to strengthen competitiveness. Our medium-to long-term DX measures include developing digital tools proficiency training by job function and level.
Intellectual Property Strategies	To build truly sustainable competitive advantages, we focus on developing a world-leading portfolio of intellectual property and intangible assets. We strive to incorporate IP strategy into the early phases of each business to optimize long-term growth.
Addressing Global Environmental Issues	The Kyocera Group implements renewable energy, promotes energy efficiency, contributes to a circular economy through reduction of plastic packaging, and engages in biodiversity conservation activities.
Improving Stakeholder Engagement	To build businesses that fulfill societal needs, Kyocera promotes communication with all stakeholders, including customers, employees, shareholders, investors, and business partners, to ensure that their viewpoints are included in our decision-making.
Risk Management	The Kyocera Risk Management Committee identifies corporate risks to establish countermeasures for prevention and mitigation. Our business continuity planning (BCP) efforts help to ensure a prompt resumption of operations in the event of any unexpected interruption.
Compliance	The Kyocera Compliance Statement outlines our policy on global regulatory compliance through a five-region legal and IP system.
Supply Chain Management	Kyocera is a member of the Responsible Business Alliance (RBA). We conduct supply chain surveys to monitor and reduce risk while ensuring fair, transparent procurement with trustworthy partners.

Vision

We strive to optimize the management resources, such as human resources, goods, financial assets and information, to enhance our corporate value.

Priority Measures

1 Promoting Sustainable Management

In addition to providing new value for society, we strive to promote employee engagement and diversity, as well as sustainable management based on our management philosophy.

2 Capital Strategies ▶ P.23

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

3 Basic Views on Corporate Governance ▶ P.35

We will strengthen our corporate governance system by introduce a performance-linked restricted stock compensation program, appoint diverse outside directors, and improve the effectiveness of the Board of Directors.

Promoting Sustainable Management

Concept

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

Promotion System

In FY2023, we reported and discussed about long-term environmental goals, ways to contribute to the circular economy, and expanding the introduction of renewable energy. We will continue to promote company-wide collaboration to meet global expectations for sustainability in business.

Sustainability Committee Structure

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

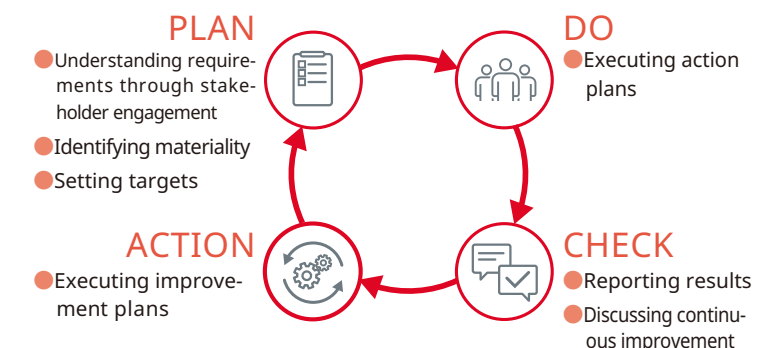
Sustainability Promotion Department, Corporate Management Promotion Group

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

Sustainability Management Processes

To promote sustainable management, first, we seek to understand societal needs through stakeholder engagement. Next, we identify priority issues and take actions to address them. Then, we evaluate the results and discuss the improvement methods, while top management reviews them at committee meetings for further improvement.

Sustainability Management Process Flowchart



Capital Strategies

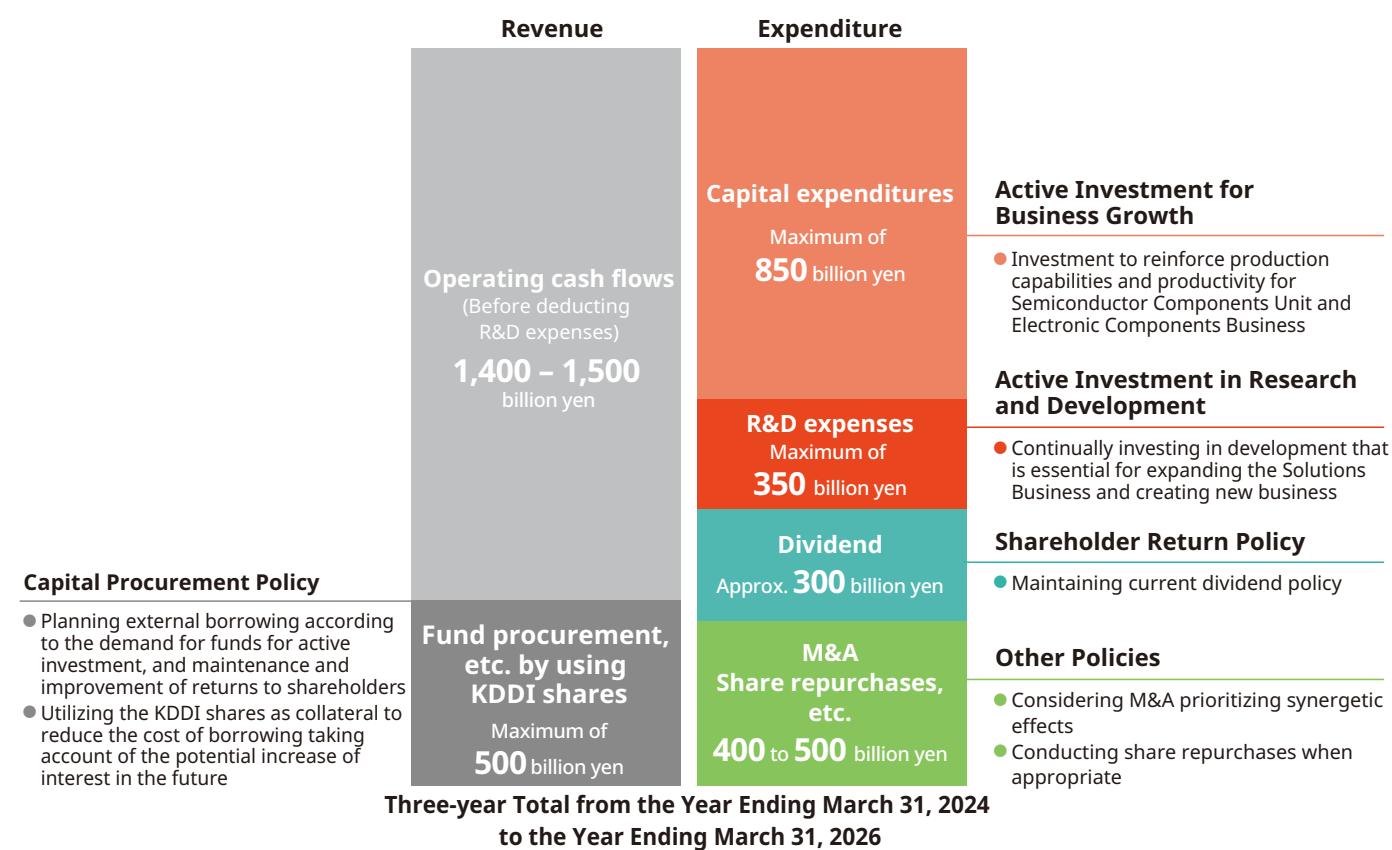
Aiming to become a high-growth and high-profit company, Kyocera continues active business investment for the expansion of existing businesses and the creation of new businesses.

Basic Concept

The Kyocera Group considers the increase of profits through business expansion is important to achieve the goal of becoming a high-growth and high-profit company set in its management policy. At the same time, to ensure long-term benefits for shareholders, it is important to maintain a high-level shareholder's equity ratio and strong financial base in order to continue business operation under any potential business environment. Under this concept, the Kyocera Group strives to enhance production capabilities, invest in research and development, and conduct M&A for sustainable corporate development, while improving returns to shareholders through the provision of high-level dividends and share repurchases.

Capital Allocation

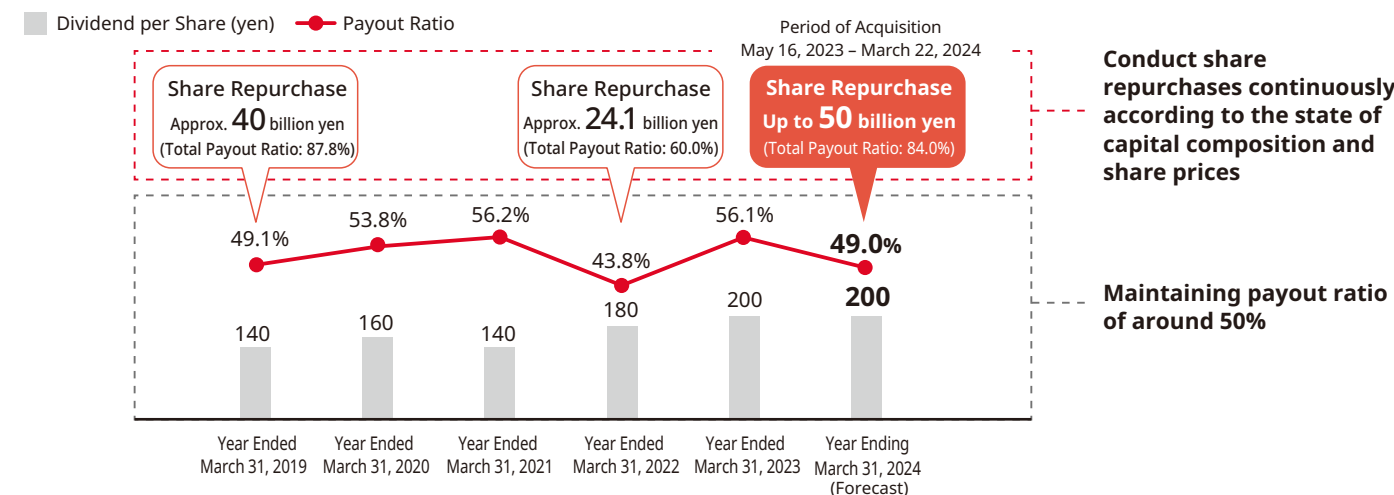
Based on the medium-term management plan, the Kyocera Group clarified the three-year capital allocation from the year ending March 31, 2024 to the year ending March 31, 2026. We estimate the amount of capital expenditure preparing for the business expansion to be a maximum of 850 billion yen, and research and development expenses to be 350 billion yen. We also estimate the returns to shareholders through dividends to be 300 billion yen in accordance with the current policy. In addition, we consider that another 400 to 500 billion yen is available for M&A, share repurchases, etc. We are planning to allocate cash flows through business activities and a maximum of 500 billion yen in bank loans to these investments for business expansion and returns to shareholders. As for the bank loan, we will use KDDI shares owned by Kyocera as collateral to reduce the costs.



Shareholder Returns / Dividends and Share Repurchases

Kyocera considers that the improvement of consolidated performance leads to increased corporate value and responding to the expectations of shareholders. Therefore, we intend to maintain the dividend payout ratio at around 50%, within the range of the profit attributable to owners of the parent, of the consolidated performance. In addition, considering the amount of investment necessary to promote medium- and long-term corporate growth, we determine the dividend by comprehensive judgment. Furthermore, considering internal reserves preparing for the creation of new business and market, development of new technology, and the acquisition of external management resources as necessary, we maintain a sound financial basis to achieve steady and sustainable corporate growth. As an effective means of returning profits to shareholders, we suitably acquire own shares within a certain range of cash flows. Based on the above-mentioned policies, the dividend per share for the year ended March 31, 2023 was 200 yen, an increase of 20 yen compared with that for the year ended March 31, 2022. The projected dividend per share for the year ending March 31, 2024 will be 200 yen according to performance forecasts. Kyocera obtained approval by a resolution on acquisition of own shares up to 50 billion yen as a return to shareholders and preparation for a flexible capital strategy at the Board of Directors' Meeting held in May 2023.

Shareholder Returns Combining Dividends and Share Repurchases



Cross-Shareholdings

Kyocera 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 the maintenance of business relationships, realization of profits through shareholdings, and the issuing companies' social significance. If Kyocera judges, as a result of annual examination of its shareholdings, that a particular shareholding does not provide value to Kyocera, Kyocera will reduce such shareholding. To clarify the immediate policy to further reduce such shareholdings, Kyocera resolved at the Board of Directors' Meeting held in April 2023 to adapt the target of reducing at least 5% on the book value basis by the year ending March 31, 2026. The details are disclosed in the Corporate Governance Report issued on April 27, 2023.

The Kyocera Group Human Capital

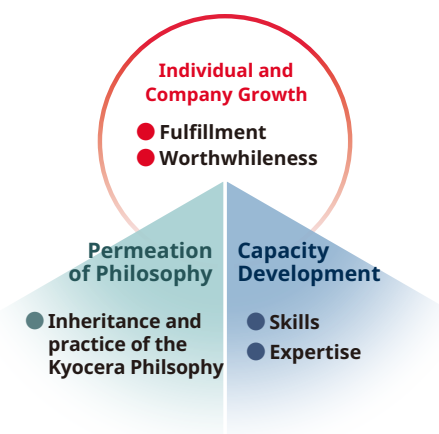
Throughout its wide range of businesses, the Kyocera Group focuses on employee development through skills acquisition in specialized technologies, and through awareness and practice of our Kyocera Philosophy.

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

The Kyocera Group’s Approach to Human Capital

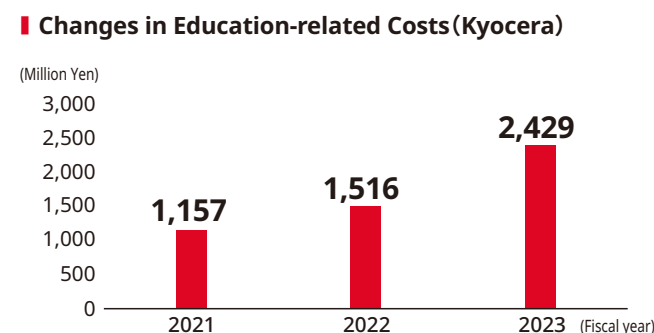
The Kyocera Group operates under the Amoeba Management system, which allows all employees to participate in managing the company. We view this as an extension of our philosophy to provide opportunities for employee growth and development, both materially and intellectually, while contributing to a better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

Our “Management by All” approach calls every employee to use “What do we consider to be the right choice as a human being?” as our compass for work and decision-making. As the Kyocera Group expands with a more diverse global workforce, this universal mindset encourages us to aim higher with initiative and enthusiasm, and to grow every day. Our Kyocera Philosophy reminds us that “The Result of Our Life or Work = Attitude × Effort × Ability.” This formula demonstrates that “attitude” is the first factor for success, followed by effort and ability. In addition to passing our Kyocera Philosophy on to new generations of employees, we provide functional training to enhance job performance. We believe this can allow everyone at our company to fully develop their potential, and to grow as the company grows, emphasizing job satisfaction and employee fulfillment.



Initiatives to Strengthen Human Capital

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



Initiatives to Advance the Kyocera Philosophy

» Promotion System

To enhance our corporate culture on a foundation of the Kyocera Philosophy, we established a Kyocera Group Philosophy Committee under the Chairman of Kyocera Corporation. This Committee establishes Kyocera Philosophy education policy and develops action plans using input from the entire executive team.



» Kyocera Philosophy Education

The Kyocera Group is expanding Kyocera Philosophy Education on a global basis in accordance with the policy of the Group-Wide Philosophy Committee. For leaders, we have set up opportunities for top management and senior management in Japan and overseas to hold dialogues on the theme of our philosophy, in order to foster the next generation of management leaders with philosophy. For all employees, we build a digital infrastructure in which employees can learn freely at any time, and at the same time, we aim to cultivate a corporate culture in which the philosophy is alive by commending employees for practicing their philosophy.



Global philosophy seminar

Initiatives for Capacity Development

» Management Education

Kyocera provides training to supervisors, the leaders of the organization, to develop executives with advanced management capabilities. In addition, Kyocera aims to improve employees' management capabilities by providing the training to employees necessary in each stage of their career development, from the time of entry into the company to mid-level and executive positions, so that they can learn the skills and knowledge required to fulfill their task on a step-by-step basis.

» Technical Training

Kyocera aims to develop human resources with a wide range of knowledge and advanced expertise in all divisions, including engineering, R&D, manufacturing, quality assurance, sales, and management. From new employees to mid-level employees, Kyocera offers specialized technical training as well as innovation training for learning about innovation creation in practice. The training curriculum covers a wide range of topics, such as materials technology, design skills, manufacturing technology, production technology, management skills, and quality control. Kyocera employees can use this training system to take the training necessary for their work assignments.



Technical training

» Global Education

Kyocera offers online English Learning Support and Overseas Graduate School Study System in order to develop human resources who can succeed on the global stage. These systems have sent employees to various regions around the world, including the United States, Europe, China, Southeast Asia, and India. Through these programs, Kyocera is promoting the cultivation of employees with improved language skills, the ability to obtain up-to-date knowledge and technology that can only be acquired abroad, as well as the development of internationally-minded employees. Furthermore, Kyocera provides international culture training for employees scheduled to be sent to offices or facilities abroad and employees responsible for overseas-related operations.



Global education

Promotion of Diversity & Inclusion

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

Kyocera’s Vision for Diversity and Inclusion

“Diversity & Inclusion” is not meant to establish gender, disability, race, ethnicity, nationality, age or orientation as a special category, but rather, to describe everyone. All employees should be able to live their lives with a sense of inclusion. Our ideas should be respected and accepted based on merit. We should respect one another’s diverse potential. Kyocera regards Diversity & Inclusion as an initiative to ensure the involvement and participation of all employees. Above all, Kyocera strives to understand how it can be a more ideal company and how all employees can achieve a deeper understanding and acceptance of the diversity that surrounds them.



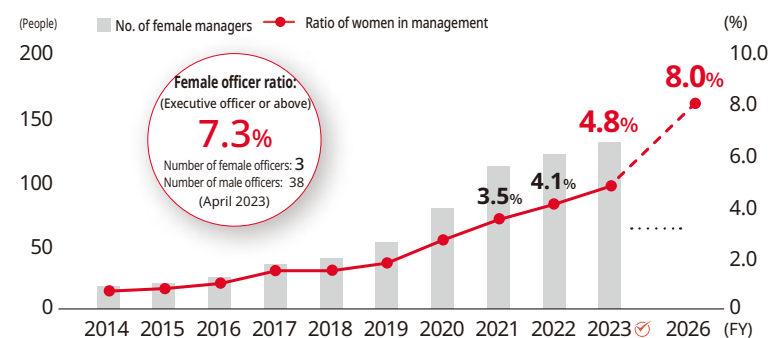
Approaches to Diversity & Inclusion

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

Improving Gender Representation

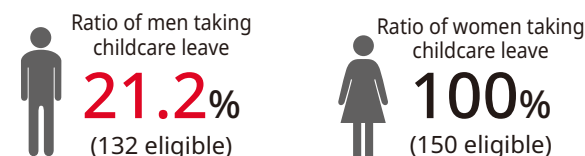
We are targeting Kyocera Corporation to have 8.0% of its management positions held by women by FY2026. We are improving training opportunities for management candidates and actively promoting capable women to managerial positions. Further, we established the Positive Action Promotion Committee, comprised of representatives from each business segment, to focus on employee engagement for women in each department. As of FY2023, Kyocera Corporation had 143 female managers (4.8%); and within its executive team, one female director and two female executive officers (7.3%). We will continue to seek new ways of promoting the participation of women throughout the Group.

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

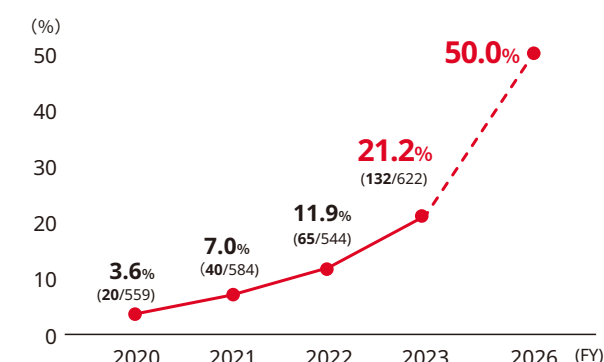


Promoting Childcare Leave

Kyocera has created a work environment in which all employees, both male and female, are able to take childcare leave more easily. To support men’s participation in childcare, we hold roundtable discussions and workshops to promote understanding and guidance. Our approaches have led to an increase in the ratio of eligible male employees taking childcare leave from 3.6% in FY2020 to 21.2% in FY2023. We set a goal to achieve 50% by FY 2026. Through management seminars and other efforts, we continue to create a work environment in which all employees feel comfortable taking childcare leave.



Ratio of Men Taking Childcare Leave (Kyocera)



Approaches to Understanding LGBTQ Issues

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

*SOGI: sexual orientation and gender identity



Participation in LGBTQ events

Creating an Attractive Work Environment

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



Enhancements at Kyocera’s global headquarters

Respect for Human Rights

To fulfill our management rationale and create a more sustainable society, the Kyocera Group is committed to ensuring respect for human rights throughout our value chain.

Human Rights Policy

Beyond complying with all applicable laws and regulations, the Kyocera Group takes voluntary action to advance human rights through non-governmental initiatives. These include supporting the UN’s Universal Declaration of Human Rights; supporting the Fundamental Human Rights Convention by the International Labor Organization (ILO); and joining the United Nations Global Compact, a platform establishing 10 fundamental principles relating to human rights, labor, preserving the environment, and preventing corruption. The Kyocera Group Human Rights Policy contains explicit prohibitions against the use of forced labor and child labor, as well as prohibiting unlawful discrimination in any form. In addition, the Kyocera Group expressly prohibits abuse of power and sexual harassment in the workplace.



Human Rights Due Diligence

To ensure compliance with the Kyocera Group Human Rights Policy, we have implemented human rights due diligence frameworks for supply chains in accordance with the UN “Guiding Principles on Business and Human Rights.”

● Identification of Salient Human Rights Issues

In collaboration with third-party sustainability experts, the Kyocera Group conducted a survey to identify the top areas of Salient human rights risk within its value chain.

Survey Target and Scope

Region: Areas surrounding Kyocera Group and supplier operations
 Scope: Kyocera Group value chains¹ and rights holders²

Steps to Identify Human Rights Issues

Step 1	Step 2	Step 3	Step 4
Regional risk survey	Industry risk survey	Kyocera Group survey	Prioritizing human rights issues
Human rights risks in the study area were evaluated using multiple data sources.	We listed all industries in which Kyocera Group companies operate, identifying human rights risk areas in each.	Third-party experts conducted interviews and surveys to determine human rights risks and risk-management efforts within the Kyocera Group.	Based on information obtained in Steps 1 to 3, our working group held discussions to identify and prioritize all potential human rights issues.

Survey Results

The survey found 13 areas of salient human rights risk. We are continually monitoring each area in accordance with the UN “Guiding Principles on Business and Human Rights,” identify whether any of the salient human rights issues are occurring and are prepared to take immediate action should any negative impacts on human rights be identified. At the same time, we are taking measures to reduce and prevent the potential for human rights impacts in each area. We will conduct human rights impact assessments among rights holders throughout the value chain, with particular focus on areas identified in the survey.

No.	Salient Human Rights Issues Identified
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 privacy rights
11	Harassment
12	Impact on local communities (environmental and social)
13	Product safety

Note 1: Resource mining; raw materials procurement and transport; R&D and manufacturing; construction; product and service use; product disposal
 Note 2: Employees (unconsolidated companies); employees (Group companies in Japan); employees (Group companies outside Japan); suppliers; temporary employees; contractors; local residents; consumers

● Survey of Actual Conditions

» Survey of Foreign / Migrant Workers

We conducted a survey on employment practices involving foreign and migrant workers at Japan-based Kyocera Group companies, and at our Japan-based suppliers (providers of materials, human resources and on-site contracting).

Survey Scope

Five Japan-based Kyocera Group companies; 413 Japan-based suppliers

Survey Results

Response rate of Japan-based Kyocera Group companies was 100%. Of these, 60% (three companies) employed foreign workers; employment of foreign technical interns was not confirmed.

Response rate of Japan-based Kyocera Group suppliers was 81% (335 companies). Of these, 59% (197 companies) employed foreign workers, and 19% (65 companies) employed foreign technical interns. After survey results identified 57 Japan-based Kyocera suppliers employing a high proportion of foreign technical interns, our representatives visited each company to understand their human rights due diligence and request cooperation in preventing and reducing risks.

Survey results from all companies employing foreign workers detected no human rights issues; however, they did identify potential issues and certain inherent risks for our further investigation and countermeasures.

Employment Survey Response Rate

Survey Target	Number of Subjects	Response Rate
Japan-Based Kyocera Group Companies	5 companies	100% (5 companies)
Japan-Based Suppliers	413 companies	81% (335 companies)

Survey Results

Survey Target	Number of Subjects	Foreign-Worker Employment Rate	Employment Rate of Foreign Technical Interns
Japan-Based Kyocera Group Companies	5 companies	60% (3 companies)	0%
Japan-Based Suppliers	335 companies	59% (197 companies)	19% (65 companies)

» Supply Chain Survey ▶ P.34

We assess efforts to recognize and protect human rights throughout our supply chains using a survey and.

● Initiatives to Reduce and Prevent Human Rights Risks

The Kyocera Group is working to establish an effective company-wide structure for human rights due diligence by FY2026. Efforts to ensure human rights are also a part of our workplace enhancement initiative.

» Preventing Harassment and Discrimination

Kyocera provides training to raise awareness of workplace harassment and discrimination, and encourages all employees to become familiar with the Group’s harassment prevention handbook on company intranets. Special training sessions with case studies and discussion are provided to managers as part of our commitment to a workplace entirely free of harassment and discrimination.













Grievance Mechanisms and Remedies

● Anonymous Incident Reporting

In addition to our anonymous employee consultation service desk, we established a third-party consultation service desk in 2021 as a grievance mechanism, with appropriate considerations taken for privacy, to monitor human rights, harassment, and discrimination violations. The anonymous employee consultation service desk accepts consultations, reports violations of the code of conduct, laws and regulations, conducts in-house surveys, and takes corrective measures when necessary.

Improving Stakeholder Engagement

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

Stakeholder	Purpose	Method	FY2023 Achievements	Approaches	URL
 Customers	Customer satisfaction depends on higher quality products and services.	<ul style="list-style-type: none"> Customer support services Information provided on our website Dialogue in our markets and at exhibitions Customer service office 	Number of inquiries 6,829	The Kyocera Group maintains a customer service office to improve customer satisfaction by responding to any inquiries, comments, or complaints in a sincere and timely manner.	 Approaches to Raising Quality and Customer Satisfaction Levels
 Employees	We strive to build a working atmosphere of enthusiasm based on our Management Rationale: "To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind."	<ul style="list-style-type: none"> Workplace Vitality assessment Dialogue through information in company newsletters and intranet Round-table discussions and Q&A with top management 	Response rate, workplace assessment surveys 96.8% (Subjects: 27,012 employees)	The Kyocera Group in Japan conducts workplace Vitality assessment with employees to help bolster a sense of dynamism in the workplace.	 Promoting Diversity and Inclusion
			Round-table discussions 9	The Kyocera Group holds round-table discussions between employees and top management to exchange opinions, and the content is shared with all employees in company newsletters.	
 Shareholders	Opinions and requests from shareholders are shared with top management and related internal departments to improve management initiatives and identify key issues.	<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 	Financial results briefings for institutional investors:4 Business summary briefings:1 Approx. 400 participants	The Kyocera Group holds financial results and business summary briefings for institutional investors. At the latest annual financial results briefing, we explained our mid-term business plan to facilitate thorough understanding of our growth strategies.	 Financial Presentation Materials  Business Presentation Materials
			One-on-one meetings with institutional investors Approx. 280	The Kyocera Group holds individual meetings with institutional investors in Japan and abroad, including ESG-themed meetings.	
			Company information sessions with individual investors:1 Approx. 480 participants	The Kyocera Group holds online company information sessions for individual investors and maintains an archive of materials.	
 Business associates	We demand fairness and transparent dealings to promote sustainable growth with business partners and fulfill our social responsibilities concerning human rights, labor and environmental protection.	<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 232 participants from 202 companies	The Kyocera Group holds seminars and social gatherings for suppliers. Annual awards are presented to the most outstanding suppliers of the year.	 Supply Chain Management
			Response rate, surveys on sustainability activity status 100% (Subject companies: 351)	The Kyocera Group conducts surveys of major suppliers to confirm the state of sustainability activities within our supply chain.	
 Local communities	In recognition of the fact that a company serves as a member of society, we fulfill our responsibility as a good corporate citizen to support the development of local communities not only through our business but also through various social contribution activities.	<ul style="list-style-type: none"> Social contribution activities Dialogue with local residents and businesses 	Off-site classes on environment and energy 1,031 participants	The Kyocera Group offers off-site presentations on the environment and energy to children as a part of its environmental protection activities, to explain the importance of preserving our global environment.	 Environmental Communication
			Participants in briefing sessions 63 participants	The Kyocera Group invites residents, business partners, administrative officials, and neighboring companies to its briefing sessions, where we conduct dialogue on our sustainability activities.	 Stakeholder Engagement

Approaches to Carbon Neutrality

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

[Measures to Fight Climate Change -Information Disclosure Based on TCFD Recommendations-](#)

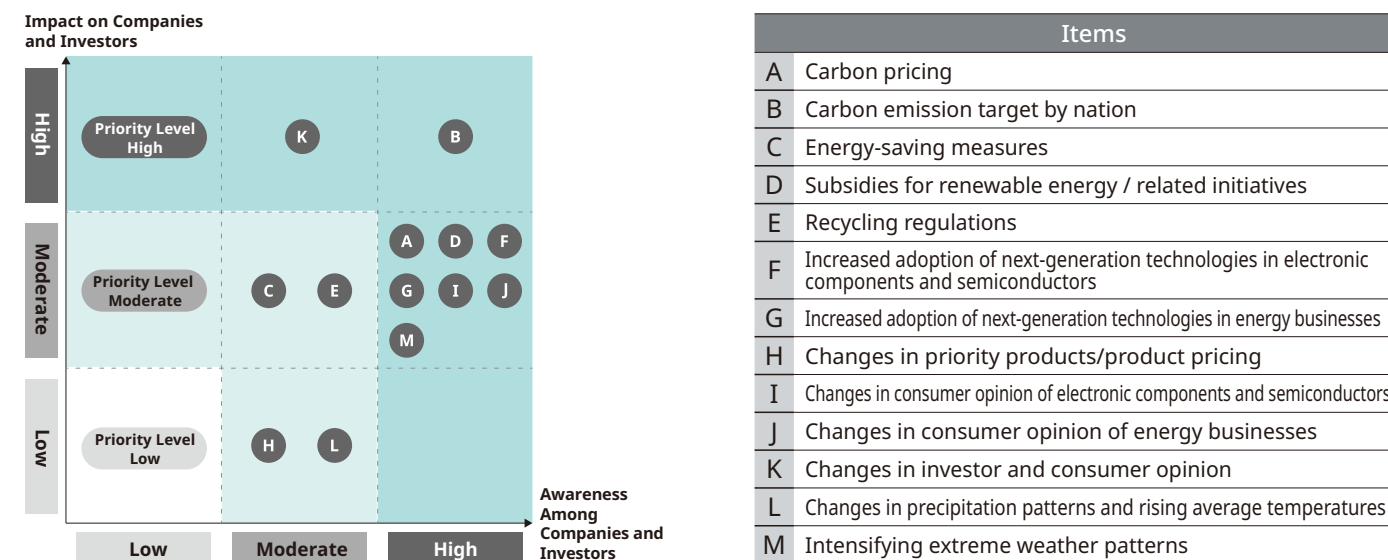
Governance

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

Risk Management

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

Note 1: From surveys of other companies and investors on climate change, policy, and related trends.
 Note 2: From third-party evaluation of the probability of a risk and its impact on companies and investors.



Strategy

Scenarios

Forecasting toward 2030, the Kyocera Group analyzed its own risks and opportunities from climate change, the impact of climate change on our business, and probable changes in our customers’ industries by using the 1.5°C scenario³ and the 2.6°C scenario⁴ provided by the Intergovernmental Panel on Climate Change (IPCC). Since the trend toward decarbonization is particularly relevant to Kyocera’s Smart Energy business, we used various renewable-energy adoption projections based on the 1.5°C scenario in assessing risks and opportunities. Based on this analysis, we expect to achieve our targets for GHG reduction by FY2031 and carbon neutrality by FY2051.

Note 3: A scenario in which average global temperature rises between 1.0 and 1.8°C by 2100 compared to pre-industrial levels (IPCC Sixth Assessment Report: SSP1-1.9)
 Note 4: A scenario in which average global temperature rises between 2.1 and 3.5°C in 2100 compared to pre-industrial levels (IPCC Sixth Assessment Report: SSP2-4.5)

Business Impact

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

Main Business Impact Assessment

Classifications	Risks and Opportunities	Changes in Operating Profit		Reference Materials and Calculation Methods
		2.6°C Scenario	1.5°C Scenario	
Manufacturing / Services	Increase in Carbon Pricing	0 billion yen	▲9 billion yen	Estimate based on achievement of 2030 reduction targets (ref.: IEA “World Energy Outlook 2022”)
	Increase in Energy Costs	3 billion yen	▲1 billion yen	Estimate based on achievement of 2030 targets for renewable energy implementation (ref.: IEA “World Energy Outlook 2018”)
	Damage from Natural Disasters	▲7 billion yen	▲3 billion yen	Estimate based on scenario in which all operations inside and outside Japan with high flood risk experience a disaster by 2030 (ref.: Ministry of Land, Infrastructure, Transport and Tourism, “Flood Control Economic Survey Manual (Draft),” hazard maps, and “Population in Areas at Risk for Flooding by Prefecture,” WRI: Aqueduct).
Sales and Consumption	Expansion of Energy Businesses	0 billion yen	6.5 – 8.5 billion yen	Estimated with reference to IEA’s “EV Outlook 2022;” Renewable Energy Institute’s “2030 Energy Mix Proposal (First Edition);” WWF’s “2050 Zero Scenarios for Decarbonizing Japan;” and the Ministry of Economy, Trade and Industry’s “Basic Energy Plan and Energy Supply and Demand Forecasts for 2030.”

Countermeasures

Measures Addressing Rising Carbon and Energy Prices

To enhance its GHG reduction measures, Kyocera has divided the timeframe from FY 2020 to FY 2031 into four periods, with phased targets for power conservation and renewable energy adoption.

	Phase 1 FY2020 to FY2022	Phase 2 FY2023 to FY2025	Phase 3 FY2026 to FY2028	Phase 4 FY2029 to FY2030
Renewable Energy Adoption	On-site Install solar power generation at Japanese and International operations			
	Off-site Install “self-consignment” solar power generation in Japan			
Energy Conservation/ Savings		Off-site Install “PPA” solar power generation in Japan		
	Install exhaust heat recovery systems			
	Install superior energy-saving equipment			
	Shift away from petroleum (to natural gas and others) and steam (electrification/humidification)		Visual energy monitoring for production equipment	Review hydrogen/ammonia use

New Renewable Energy Options

Since FY 2021, in addition to installing rooftop solar power systems at the Kyocera Group facilities, we have been providing energy solutions for external users through self-consignment⁵ and off-site PPA⁶ arrangements.

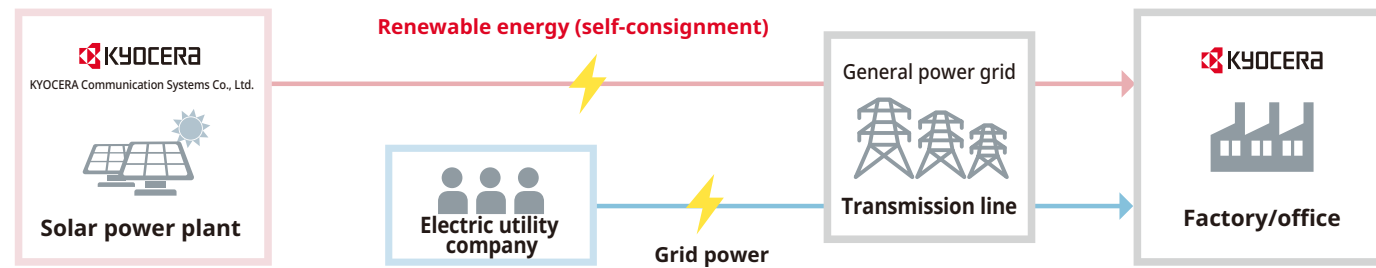


Carport at Keihanna Research Center

Note 5: Self-consignment allows power generated by a system owner to be supplied to other off-site users over the utility power grid.
 Note 6: A power purchase agreement (PPA) allows users to benefit from renewable energy without having to own power-generating equipment

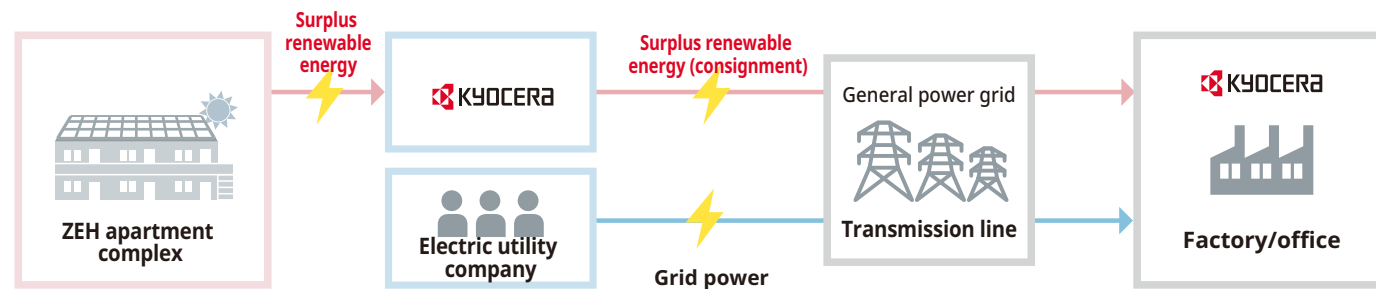
Off-site Solar Power “Self-consignment” System (Japan)

The Kyocera Group installs solar facilities on unused land and transmits electricity over the utility grid to other users on a “self-consignment” basis.



Off-site Installation and Use of Solar Power Generation Systems in Japan (PPA)

The Kyocera Group purchases surplus solar power from ZEH apartments owned by major rental housing companies for transmission to other users.



» Promoting Energy Savings

Installing Exhaust Heat Recovery Chillers

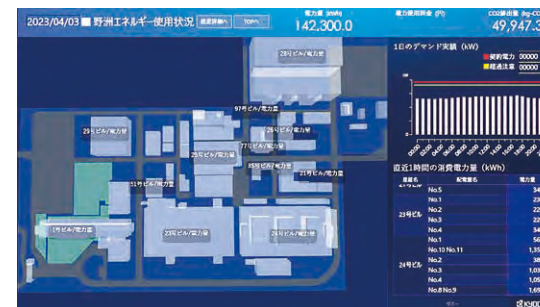
Exhaust heat recovery chillers have been installed in the air conditioning system at the Kyoto Ayabe Plant as part of our energy conservation efforts. This equipment uses heat pump technology to recover thermal energy that would otherwise be lost through exhaust systems, which resulted in reducing power requirements. Similar heat recovery equipments are scheduled to be rolled out in stages across the Kyocera Group.



Kyoto Ayabe Plant: Exhaust heat recovery

Energy Visualization at Production Facilities

By visualizing GHG emissions at each department and plant, we can grasp targets and results in a timely manner and take appropriate actions. Immediate improvements can often be made by simply reducing standby power for equipment that produces high GHG emissions.



Factory energy visualization screen

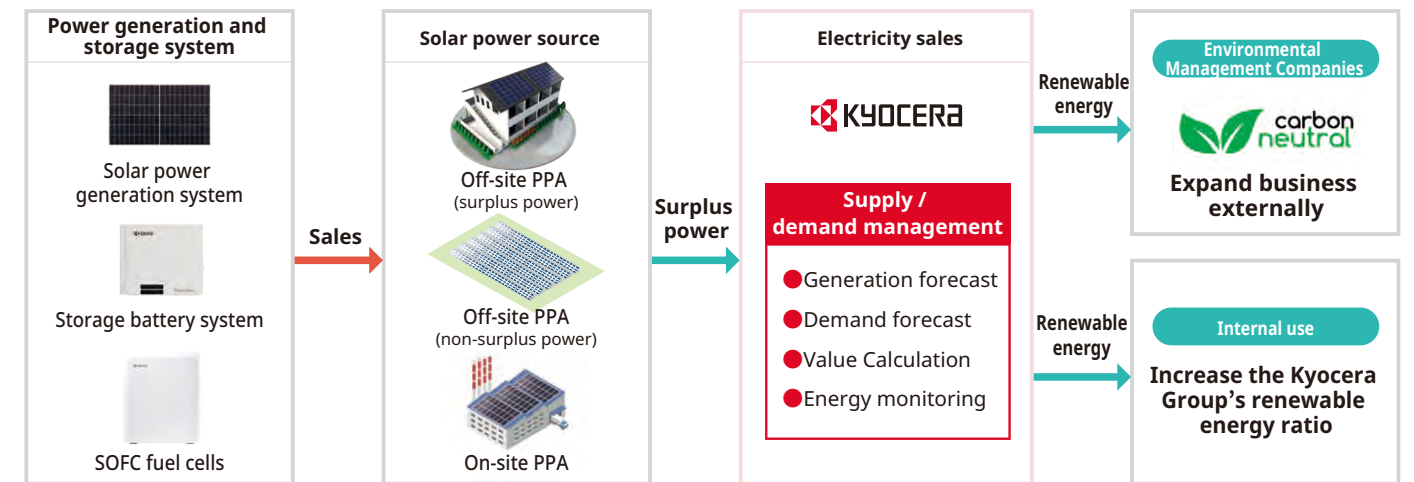
Natural Disaster Countermeasures

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

Expansion of Smart Energy Businesses

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

Vision for the Kyocera Group renewable energy services



Metrics and Targets

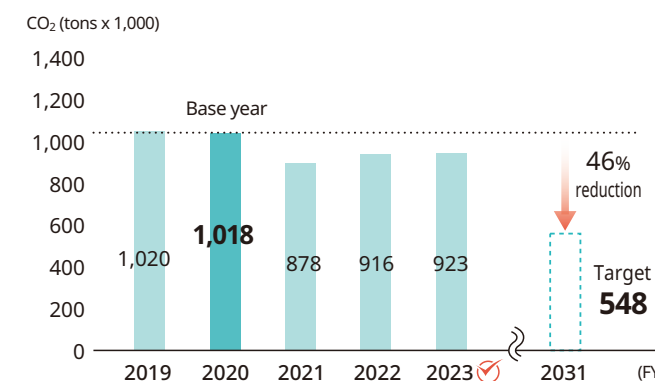
Since the signing of the Paris Agreement in 2016, governments have been collaborating with industry to reduce GHG emissions. Kyocera likewise considers climate change is an urgent issue. In 2018, we adopted long-term efforts to help limit average temperature rise to less than 2.0°C above pre-industrial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

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

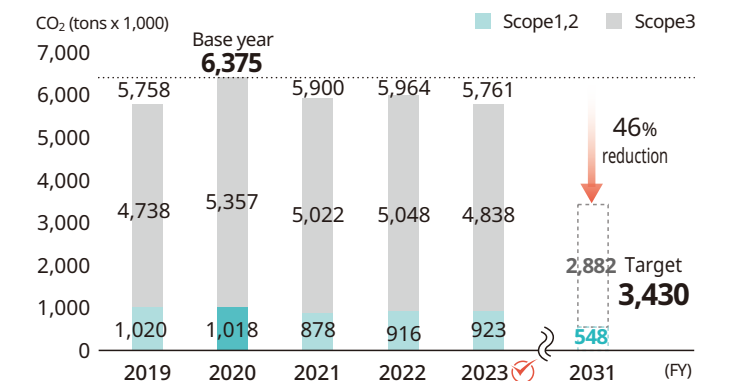


Note 1: Science Based Targets Note 2: Direct emissions associated with fuel consumption and production processes, Indirect emissions associated with consumption of power or heat purchased from outside Note 3: Indirect emissions other than Scope 1 or 2 (Including procurement of raw materials, transport,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

GHG Emissions (Scope 1, 2)



GHG Emissions (Scope 1, 2, 3)

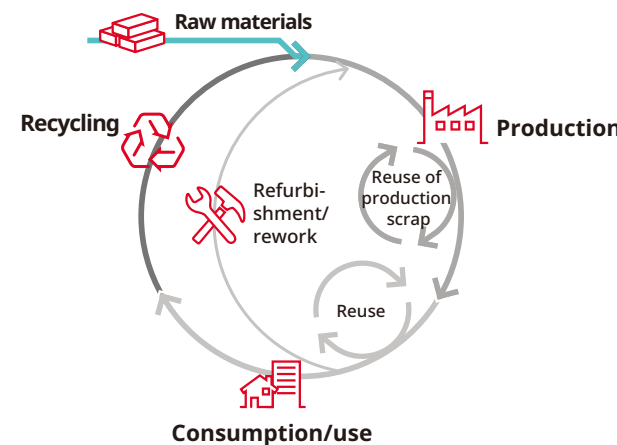


Contribution to the Circular Economy

“To coexist harmoniously with our society, our global community and nature” is a key element of the Kyocera Group’s Management Philosophy, guiding our basic business policy toward the circular economy that reduces natural resource consumption.

The Circular Economy Concept

New laws and standards are being adopted to promote the circular economy. The EU, for example, has implemented some action plans with aggressive targets to reduce waste and incineration. The Kyocera Group has initiated a project to share information on packaging materials used by each department and is now discussing resource-reduction targets. Current work by individual divisions will be expanded to company-wide targets to reduce plastics and convert to recycled resources for a more sustainable society.



The Kyocera Group Initiatives

● Environmental Challenges and Packaging

Recognizing the urgency of climate change countermeasures, Kyocera is committed to manufacture environment-friendly products and provide them in sustainable packaging. One example is a new type of package using a materials-saving design. By reconfiguring the conventional concept of separate internal boxes and partitions within a package, we have developed a single multi-folded cardboard container, reducing materials while maintaining the functionality. We will continue to raise employee awareness of environment-friendly materials and processes to enhance our sustainability performance company-wide.

● Circular Initiatives for MFPs and Printers

Kyocera Document Solutions Inc., which produces and sells printers and multifunctional peripherals (MFPs), has been working to establish a circular business cycle encompassing product design, production, collection, and recycling.

» Product / Service Design Process

Our product design process includes a wide range of environmental considerations, including durability factors to reduce parts replacement and disposal; 3R factors to “reduce, reuse, and recycle;” and energy efficiency factors to minimize GHG. Products are created using environment-conscious design standards from the initial concept through each stage of development.

» Use of Post-Consumer Recycled (PCR) Materials

We introduce recycled plastics for use in MFPs, printers, and toner containers, targeting PCR content of 1% or more for 2023; 5% or more for 2024; and higher rates for new models in subsequent years.

» From Collection to Reuse

We collect used MFPs and printers in some regions for disassembly and reuse of materials, while cleaning, inspecting, repairing, testing, and reselling units as factory-refurbished equipments. As society calls for transition to a circular economy, we will expand our product reuse rates while designing products that facilitate easier recycling.

Biodiversity

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

Conservation of Biodiversity

Human survival depends on many blessings of nature. Nevertheless, a forest area equivalent to one-fifth of Japan’s land mass is lost from the world every year — and extinction rates have accelerated 1,000x due to human activities in the past several hundred years, making biodiversity an extremely serious issue. The Kyocera Group Environmental Safety Policy aims for a more sustainable society by minimizing environmental impacts from our business and protecting the natural environment.

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

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

Efforts to Conserve Biodiversity

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

FY2024 Targets

Implement 29 biodiversity conservation projects across all production sites (in Japan)

» Promoting “Kyocera Reforestation” Activities

The Kyocera Group is engaged in activities to regenerate natural greenery on factory grounds and local forests. Our activities mainly involve thinning, weeding, and planting trees in collaboration with forestry associations and local residents.



Thinning work

» Protection of Endangered Species

Kyocera Document Solutions Inc.’s Mie Tamaki Plant has signed an agreement with Sugashi Arita Sadaoki Environmental Conservation Association to conduct biotope restoration activities in Satochi-Satoyama area. As a result of ecoscaping and land management efforts, including thinning, weeding and maintaining waterways around former rice paddies, a recovery has been observed among local at-risk fauna and flora. In parallel with this, we support observation events for children to learn about nature and biodiversity.



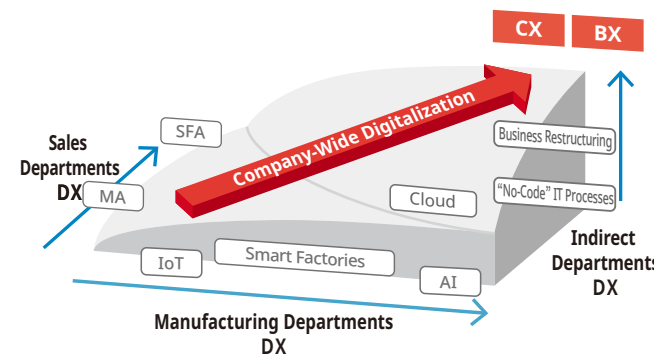
Observation event for children

Digitalization: A New Corporate Culture

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

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

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



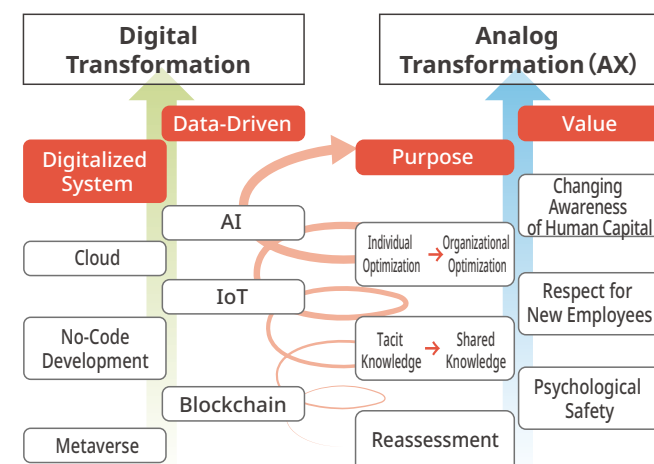
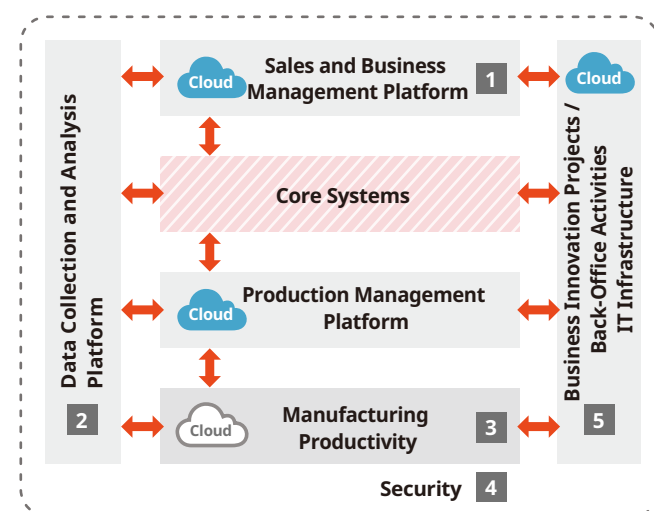
Moving Toward Digitalization

- 1 Company-Wide Use and Sharing of Sales Data**
- 2 Data Collection / Analysis Platform**
- 3 Initiatives to Double Manufacturing Productivity**
- 4 Secure Data Networks**
- 5 Improving Office Efficiency: Bottom-Up IT Skills**

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

Relationship Between DX and Analog Transformation (AX)

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



Digitalization Timelines

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

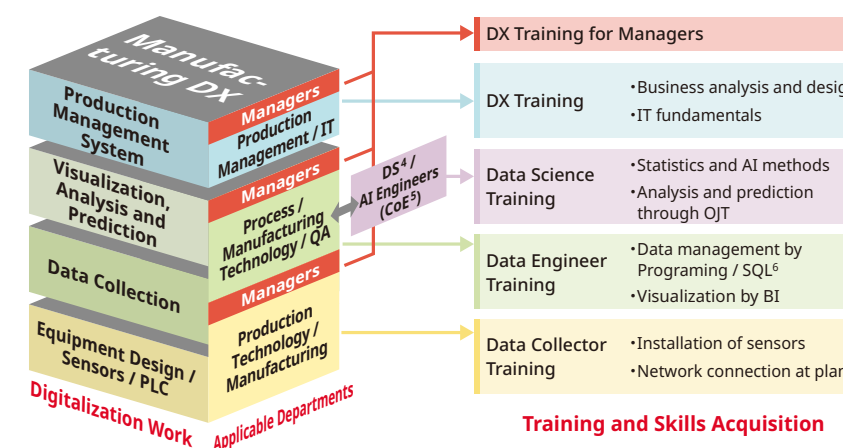
	Current Term	In 5 Years	In 10 Years
Immediate Effect: Building a Foundation	<ul style="list-style-type: none"> Current tools and methods New guidelines and rules Sharing use cases Aspiring to the Next Level	Medium-Term Revenue Plan (FY2026: 2.5 trillion yen; FY2029: 3 trillion yen)	Declining Population / Changing Values Among New Generation
Initiatives with Five-Year Horizon	<ul style="list-style-type: none"> Review all operations Standardize company-wide system Enable cross-divisional information sharing Make all operations data-driven	Turning DX gains into business results	
Attain long-term growth targets; social recognition; corporate culture that seeks new challenges	<ul style="list-style-type: none"> Contribute to society as a responsible corporation Cultivate human resources based on human capital concept Provide timely, accurate information disclosure Building a Foundation to Become “The Company”	Elevating DX efforts into corporate culture	
		ESG Measures (GHG reduction / Environmental preservation / Governance) Human resource development: IT literacy, reskilling for innovation Share results with society through our Kyocera Philosophy Corporate culture: Empower all employees to work with initiative and management mindset	

Note 1: Office365 is a product developed by Microsoft Corporation; reference used by permission. Note 2: Marketing Automation Note 3: Sales Force Automation

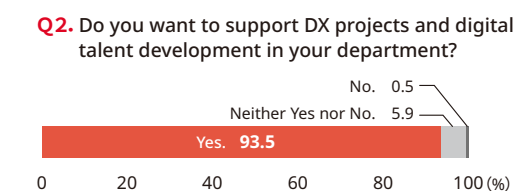
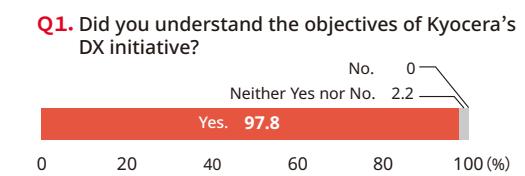
Human Resource Development by Position and Function

DX supports human resource development by enabling better education and training tailored to an employee’s position and function. Manufacturing employees may receive periodic training on how to calibrate sensors that provide data from the production line; how to process real-time data for peak machine efficiency; how to use data analysis and predictive AI; and how to support upstream processes for digitalization. All of this is designed to cultivate skills development on the job. We also hold training on DX concepts for department managers, with sessions explaining the manager’s roles and responsibilities for optimal DX implementation. This increases awareness of the need for DX and ensures a corporate climate that emphasizes a bottom-up approach to cultivating new talent.

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



Post-Training Survey Results (Participants: 3,000 managers)



Note 4: Data Scientist Note 5: Center of Excellence Note 6: Structured Query Language

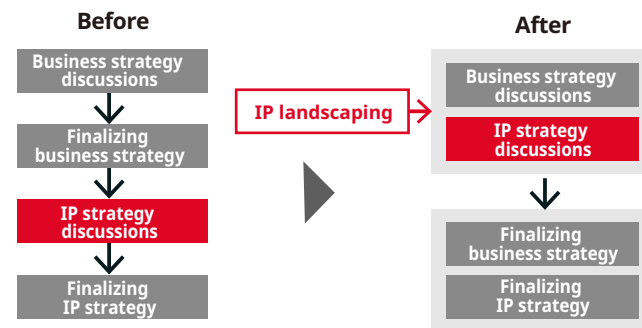
Intellectual Property Strategy

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

Promoting Our Intellectual Property Strategy

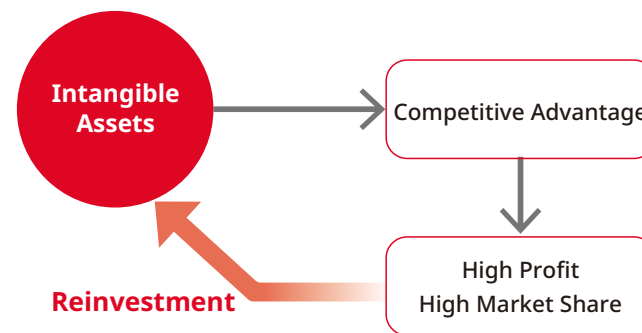
Kyocera focuses on “integrating IP strategy into business strategy” as part of our basic operations. We provide and assess the IP landscape ¹ during initial business planning to reinforce each segment.

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



IP Activities that Sustain Competitive Advantage

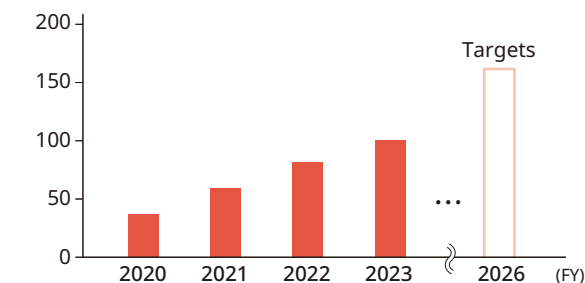
In a growing range of fields, the competitive advantages of superior IP and intangible assets hold the key to higher profits and market share. Having profit to reinvest allows us to continuously improve our technologies, further reinforcing our intangible assets including IP. This cycle represents the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



Visualizing How IP Contributes to Business

To visualize how IP contributes to our business, we convert the results of IP activities including patent licensing and risk reduction into monetary values using our own calculation methods. Using this data, we set target amounts by fiscal year as key performance indicators (KPI), which provide a clear picture of IP activities and measurable results.

Value of Contributions to Business ³

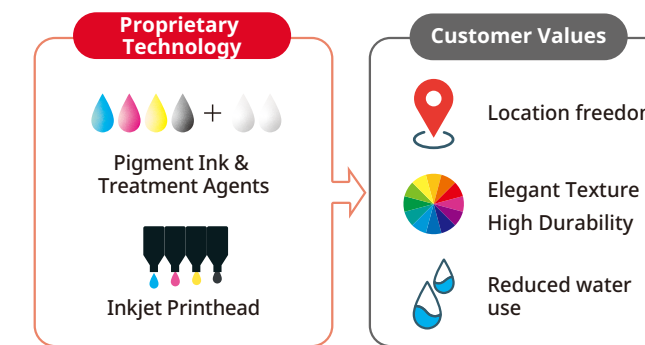


Note 3: Trends and target values (FY2023 = 100)

IP Achievements that Protect Our Environment

Digital Textile Printing [▶ P.11](#)

Kyocera offers a unique value proposition in the emerging field of digital textile printing, where our inkjet technology dramatically reduces water consumption; yields a beautiful yet durable fabric, with smooth, delicate feel; and greatly simplifies location setting by requiring only a very small footprint. Our proprietary inkjet printheads apply pre-treatment liquid, pigmented ink, and finishing agent in a single process. Kyocera has submitted more than 50 patent applications associated with these unique technologies to further enhance our business.

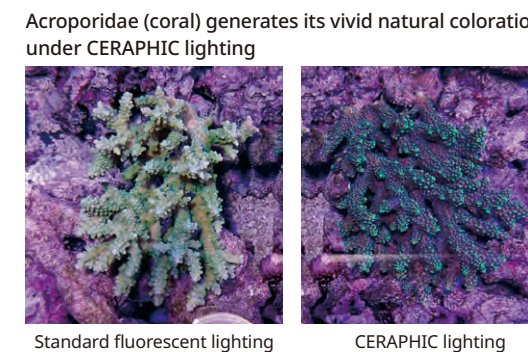


LED Lighting Technology: Conserving Biodiversity [▶ P.20](#)

Kyocera has developed innovative LED lighting technology that helps conserve biodiversity.

» Aquarium Lighting [▶ P.21](#)

Kyocera’s CERAPHIC® LED lighting creates a spectrum very close to that of natural sunlight, making it suitable for growing a wide range of aquatic plants and animals. CERAPHIC has been adopted by marine institutions as an ideal light source for aquariums. This unique technology is protected by a number of patents.



» Dwarf Rice [▶ P.20](#)

With its superior performance in replicating the spectrum of natural sunlight, Kyocera’s LED lighting offers great potential in indoor Controlled-Environment Agriculture (CEA) as well. Kyocera is now developing technology for dwarf rice cultivation using its LED lighting. To maximize future business potential, we integrate IP development into business strategy from the earliest phases of planning.



Third-Party Recognition of Kyocera’s IP Activities

Kyocera’s continuous efforts in IP development have won acclaim from respected external institutions:

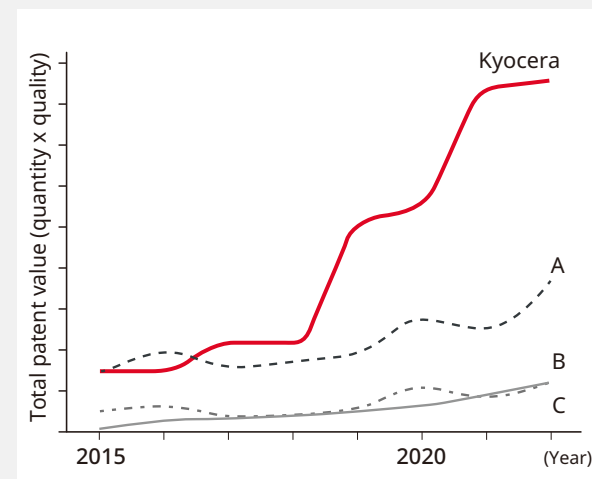
- Clarivate Top 100 Global Innovators 2023 (Seventh award, twice consecutively)
- LexisNexis Innovation Momentum 2023: The Global Top 100 (First award)



Ceramic Semiconductor Packages

The above-mentioned cycle is reflected in ceramic semiconductor packages, one of Kyocera’s core businesses. A patent analysis ² for miniaturization technology shows that Kyocera’s IP portfolio has grown in value continuously in recent years, and that Kyocera’s IP and intangible assets give us an edge over other companies reflected as A, B, and C in the graph. This has supported our strong profit performance and market share, which are key to growth. In the three-year period ending in March 2026, the Kyocera Group plans to make capital investments totaling 850 billion yen on a consolidated basis. Half of this investment will go toward semiconductor-related businesses, including ceramic packages.

Analysis of Miniaturization Technology Patents



Note 2: Analyzed using PatentSight from LexisNexis

Risk Management and Business Continuity Plan (BCP) Initiatives

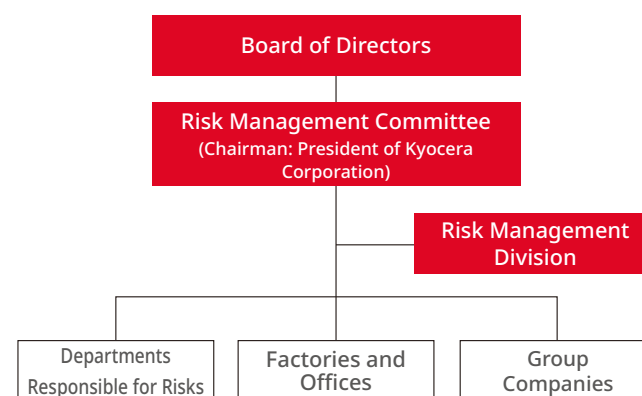
The Kyocera Group recognizes a rising need to monitor our supply chains amid the decoupling of the world’s economies, which is increasing the factors often referred to as “VUCA” – volatility, uncertainty, complexity, and ambiguity. We will strive to reinforce our management foundation and achieve sustainable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

Risk Management

The Kyocera Group reformed its Risk Management Committee in June 2022 and holds meetings periodically to determine risk management policies, identify corporate risks, assign risk owners, and review risk-handling progress.

Items discussed at 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. We also established a Risk Management Division in April 2023 to reinforce our risk management structure.

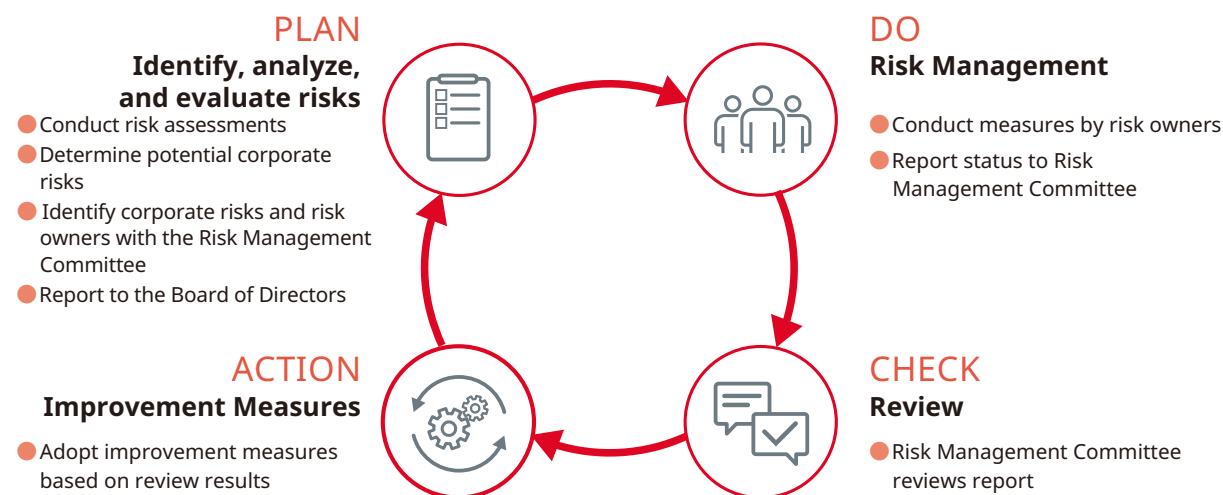
■ Organization Chart of Risk Management



Risk Management Process

The Kyocera Group conducts regular assessments to identify, analyze, and evaluate major risks. We identify corporate risks with significant potential impact on our business, take necessary countermeasures, and review the risk-handling process using the “plan, do, check, act” (PDCA) improvement cycle shown below.

■ Corporate Risk Management Process Flow



Corporate Risk

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

Risk Classifications	Specific Risk Details	Main Countermeasures
Risks Regarding Economic Security	<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, due to political, geopolitical, or economic factors affecting international business operations 	<ul style="list-style-type: none"> ● Establish an economic security project to enact risk prevention measures such as the monitoring of international risks ● Collect information about changes in regulations regarding investment and profit repatriation, and take all necessary measures
Risks Regarding Human Rights	<ul style="list-style-type: none"> ● Legal and/or reputational risk related to changing laws and regulations regarding human rights both at the Group companies and in supply chains 	<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. ● Join the Responsible Business Alliance (hereafter, RBA); conduct human rights due diligence on supply chain, and provide education about the prohibition of harassment and discrimination
Risks Regarding Information Security	<ul style="list-style-type: none"> ● Risk of damages from information leakage, falsification, loss, or business interruption due to hardware or software failure or cyberattack ● Risk of additional cost for information security in response to new requirements related to technical innovation and customer demands ● Reputational risk and loss of business competitiveness caused by information breach, loss or hacking 	<ul style="list-style-type: none"> ● Improve rules regarding information security ● Provide education to employees, enhance security measures for networks and IT assets, and reinforce business continuity plans (BCP) to establish rapid recovery measures
Risks Regarding Barriers to the Hiring of Excellent Human Resources	<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 diversity and social inclusion 	<ul style="list-style-type: none"> ● Strategically determine the location of new factories based on the expected number of employees and local labor resources ● Secure adequate human resources with an eye on the future, including further expansion outside Japan, and salary levels adjusted to local labor markets and inflation rates ● Improve work-life balance; promote diversity and inclusion; implement flexible work systems
Risks Regarding Earthquakes and Other Natural Disasters	<ul style="list-style-type: none"> ● Risk to business from large-scale disasters caused by earthquake, typhoon, heavy rain, flooding or other inevitable natural disasters, equipment failure, and/or human error ● Risk to financial performance and business results from direct damage caused by disaster, and/or economic harm caused by impaired market conditions resulting from disaster 	<ul style="list-style-type: none"> ● Develop BCP structures that model earthquakes and other natural disasters, as well as large-scale disasters caused by equipment failures or human error; prepare countermeasures in advance ● Create disaster-response plans to ensure early recovery and supply-chain alternatives; conduct BCP education and training

Please see the annual report for details on risks and major countermeasures. [WEB Financial Report](#)

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.

Compliance

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

Compliance Initiatives

To further instill compliance awareness within the Group and among external stakeholders, we have established a “Kyocera Compliance Statement” clarifying our proactive efforts globally. Kyocera divisions and overseas Group companies collaborate in response to rapid changes in laws and regulations. For example, following the European General Data Protection Regulation (GDPR), which introduced strict laws on the handling of personal data in many regions, Kyocera Group companies now continuously monitor data collection and retention practices to ensure compliance. In response to expanding anti-corruption laws and regulations, which have impacted even well-known global companies, we created a Kyocera Group Basic Policy on Anti-Corruption as our guide for global business activities, and defined the specific anti-corruption prevention structure in the Kyocera in the Anti-Corruption Regulations of Kyocera Corporation, implement internal regulations by the Group companies, and provide employee education to thoroughly publicize the rules and procedures. We have also created the Kyocera Group Global Antitrust Compliance Manual, formalized our procedures for contacting competitors, and begun periodic Antitrust & Competition Law training, including e-learning, within our international Group companies.

● Global Five-Region Legal and IP System

Our proactive M&A strategy has seen the number of Kyocera Group companies grow to around 300, with more expected in the future. For efficiency, the Corporate Legal and Intellectual Property Group divides the globe into five regions. Each local headquarters works with the Kyocera Group companies in its region to build a system for reducing legal risk and ensuring compliance. Building a collaborative network between Group companies is vital for efficient global compliance. To facilitate this, we organized Kyocera Group Global Legal Compliance Meetings for the headquarters and operating companies in each region to discuss our policies and identify local challenges.



Kyocera Global Legal Compliance IP Meeting

● Collaboration with Risk Management Division

Kyocera Corporation established a Risk Management Department in April 2023 to reinforce its risk management structure. Risk management and compliance intersect with many other key initiatives, including economic security, human rights, and information security; therefore, work in these areas is jointly promoted by both the Risk Management Department and Global Compliance Division.

» Risk Management and Compliance Conference

Within each major business segment, Kyocera Corporation appoints risk management and compliance leaders who attend quarterly conferences with indirect divisions and domestic partner companies. These conferences help us establish annual plans, confirm progress, share information and exchange opinions on the topic of risk management and compliance.

» Risk & Compliance Month

Kyocera Corporation has designated each December as Risk & Compliance Month. To heighten awareness, employees are addressed by the president, key priorities are shared at shift-start meetings, and e-learning exercises are widely conducted. By sharing these initiatives with our Group companies, we aim to permeate our enterprise with a risk management and compliance mentality.

Supply Chain Management

The Kyocera Group has established a Basic Policy on Purchasing to ensure that transactions with our business associates are carried out fairly and transparently. In addition, Kyocera Corporation RBA in July 2022 to reinforce its social responsibility commitment in global supply chains and aim for continuous improvement.

Policy on Procurement

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

Risk Assessment for Suppliers

● Supply Chain Survey

The Kyocera Group has established “Kyocera Group Responsible Business Conduct Guidelines” to monitor the sustainability performance of our business partners in such areas as human rights, responsible mineral procurement, and business continuity planning. Using these guidelines, we conduct annual supplier surveys of practices affecting human rights and labor, the environment, health and safety, fair trade and ethics, quality and safety, business continuity planning (BCP), and information security, among other areas. Our Kyocera Group Human Rights Policy provides a foundation for deeper engagement in human rights due diligence as well.



Kyocera Group Responsible Business Conduct Guidelines

» Targets

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

» Results

Our FY2023 survey of 351 key suppliers identified two with high-risk scores; however, none rated “high risk” for both human rights, labor and ethics, the areas Kyocera has identified as priority.

» Audit for Risk Reduction

We audit suppliers whose survey ratings reveal risk and engage them in direct dialogue for improvement. In FY2023, we requested formal corrective action plans from both suppliers with “high-risk” ratings. Both suppliers implemented corrective actions within 12 months.

Number of Key Suppliers Surveyed	Number Identified as High-risk	Improvement Among Suppliers with Risk
351	2	100%

Future Initiatives

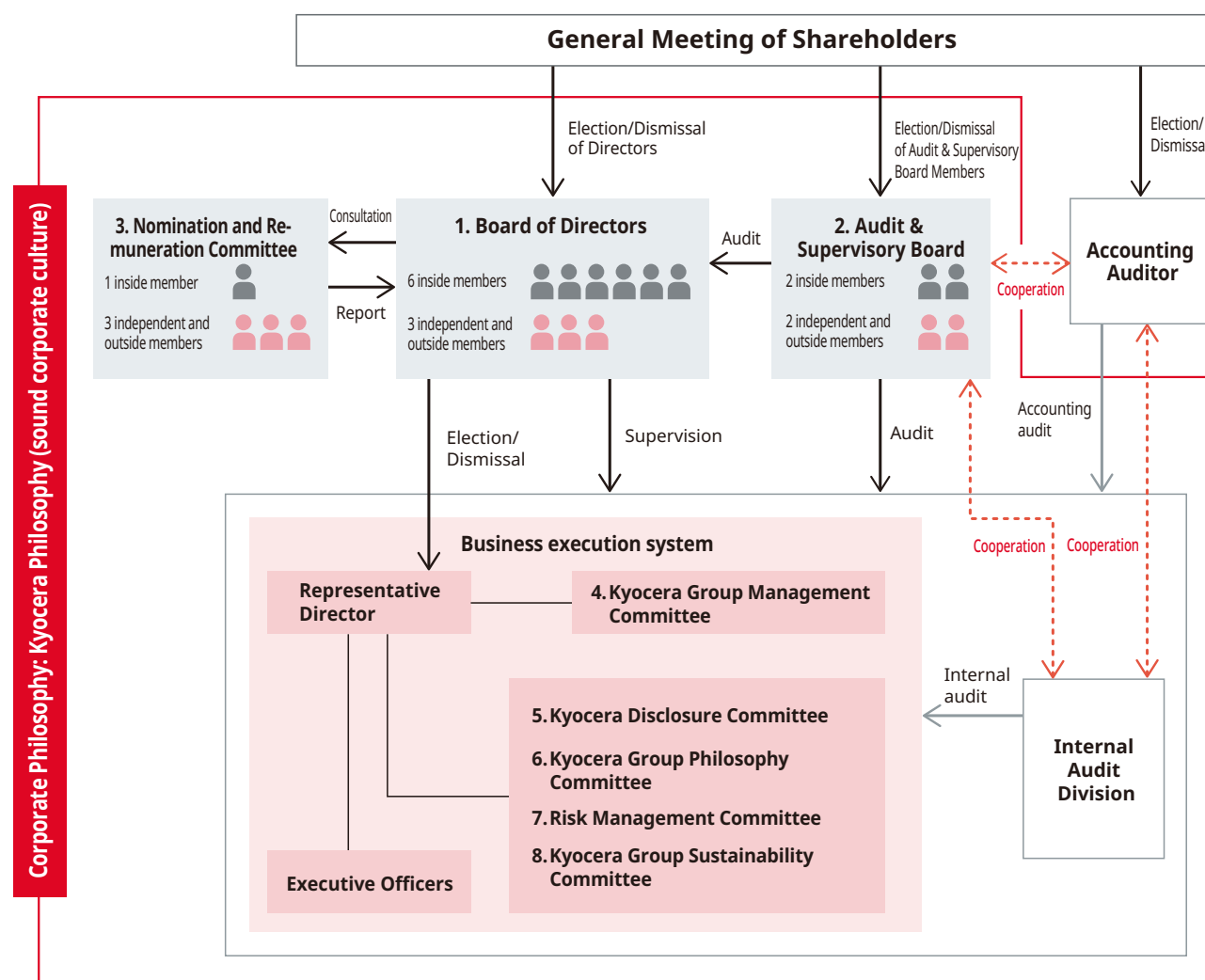
The Kyocera Group will continue to monitor its supply chains through surveys and audits. We plan deeper engagement among all business partners on key issues, including a new initiative for human rights due diligence. We will continue to investigate risks and seek continuous improvement to build stronger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

Basic Views on Corporate Governance

The Kyocera Group has made “Respect the Divine and Love People” its corporate motto and “To provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind.” as its management rationale.

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

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



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 nine Directors including three Outside Directors. The Directors are nominated at the General Shareholders Meeting based on their demonstrated understanding of Kyocera Group and their outstanding personal qualities, capabilities, and insight. The Board of Directors met twelve times during the year ended March 31, 2023.

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 an attorney-at-law or CPA.

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 & Supervisory Board met eight times in the year ended March 31, 2023.

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 twice during the year ended March 31, 2023, deliberating and responding to requests for consultation from the Board of Directors.

4. Kyocera Group Management Committee

Kyocera has established the Kyocera Group Management Committee consisting of Representative Director and Chairman, Representative Director and President and Managing Executive Officers who live in Japan and Kyocera holds meetings every month regularly. The Committee examines not only the agendas of the meetings of the Board of Directors, but also other important matters relating to the overall execution of Kyocera Group business to ensure sound management. The Committee met twenty-two times during the year ended March 31, 2023.

5. Kyocera Disclosure Committee

Kyocera has established an organ known as the the Kyocera Disclosure Committee for disclosure of corporate information. The Committee investigates all disclosure documents for the purpose of assuring the appropriateness of disclosures of corporate information, reporting the results of its investigations to the Representative Director and President, who educate Group companies concerning rules relating to disclosure and promotes appropriate disclosure of information for the entire Group. The Committee met four times during the year ended March 31, 2023.

6. Kyocera Group Philosophy Committee

Kyocera has established the Kyocera Group Philosophy Committee to educate and permeate “Kyocera Philosophy,” which is our corporate philosophy setting forth the importance of conducting business of management in a fair and honest way, basing its fundamental judgments on a precept that “What do we consider to be the right choice as a human being?” The Kyocera Group Philosophy Committee sets the “Kyocera Philosophy” education policy for each entity in the Kyocera Group, and discusses and decides upon measures to promote the understanding and practice of “Kyocera Philosophy.” The Committee met twice during the year ended March 31, 2023.

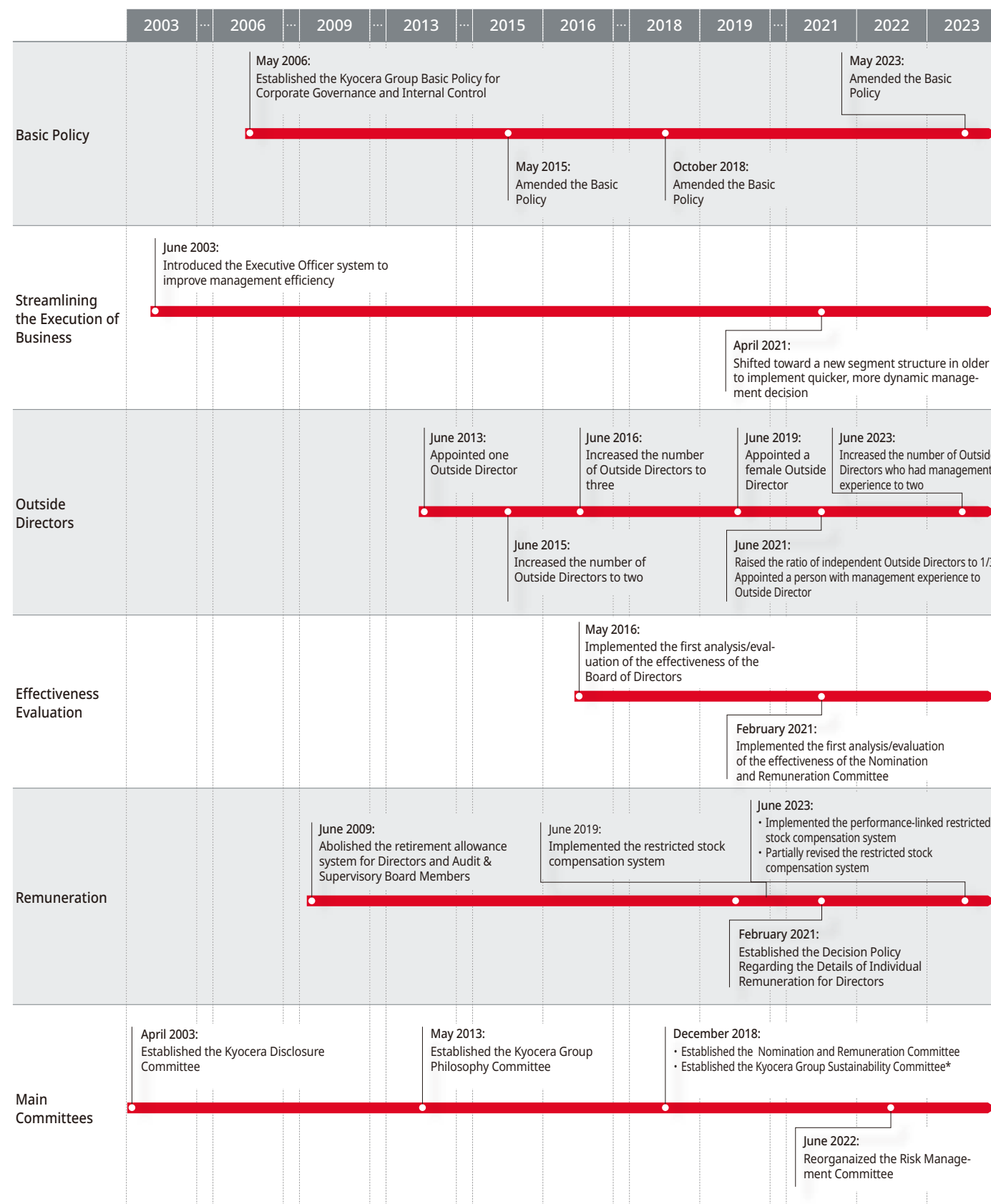
7. Risk Management Committee

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, 2023.

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, 2023.

Initiatives for Strengthening Corporate Governance



*The Kyocera Group CSR Committee was renamed to the Kyocera Group Sustainability Committee on May 26, 2023.

Composition of the Board of Directors

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

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

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

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

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

Efforts to Improve the Effectiveness of the Board of Directors

Establishment of the Nomination and Remuneration Committee

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

<Policy of Independence of the Composition>

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

<Mandates and Roles>

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

Evaluation of the Effectiveness of the Board of Directors

Kyocera analyzes and evaluates the effectiveness of the Board of Directors as a whole in order to obtain an appropriate understanding of the current condition of the Board of Directors and to achieve more effective operation.

<Outline of Effectiveness Evaluation Implemented in FY2023>

1.Evaluation Method

Kyocera conducted an effectiveness evaluation questionnaire to all Directors and all Audit & Supervisory Board Members.

2.Questionnaire Items

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

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

3.Summary of Evaluation Results and Future Initiatives

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:

- By holding multiple Off-Site meetings in the medium-term management plan separately from the Board of Directors meetings, it has become possible to have discussions that are more aware of the direction of the Kyocera Group, such as group-wide strategies.
- By having multiple product line reports and discussing the business environment and business strategy at the Board of Directors meetings, Outside Directors' and Outside Audit & Supervisory Board Members' understanding has deepened. This enabled the board of directors to discuss each proposal from various perspectives.

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

- Further enhance reports on the operational status of the internal control system and the management status of subsidiaries.
- To deepen the understanding of Kyocera through the timely and appropriate provision of information to Outside Directors and Outside Audit & Supervisory Board Members.

Training for Directors and Audit & Supervisory Board Members

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

Involvement in Succession Planning

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

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

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

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

Remuneration of Directors and Audit & Supervisory Board Members

Directors

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

Basic policy

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

	Basic Remuneration	Bonuses to Directors (Performance-linked remuneration)	Restricted Stock Compensation (Non-monetary remuneration)
Applicable to:	Directors	Directors (excluding Outside Directors)	Directors (excluding Outside Directors)
Items determined at General Meeting of Shareholders	<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).	<The 55th Ordinary General Meeting of Shareholders held on June 25, 2009> Not exceed 0.2% of the consolidated net income* of Kyocera for the relevant fiscal year, provided that such amount of bonuses shall in no case exceed 300 million yen annually. * Notation changed to “Profit attributable to owners of the parent” in line with the adoption of the International Financial Reporting Standards (IFRS).	<The 65th Ordinary General Meeting of Shareholders held on June 25, 2019> No more than 100 million yen per year as well as no more than 0.1 % of the profit attributable to owners of the parent as the reasonable amounts and that the number of shares shall be no more than 25,000 shares per year.
Details	<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. 	<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. 	<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

(Note) Implementation of the performance-linked restricted stock compensation system and the partial revision of the restricted stock compensation system were decided at the 69th General Meeting of Shareholders on July 27, 2023.

Views on Remuneration Proportion

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

Process for Determining Remuneration

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

Audit & Supervisory Board Members

Items determined at General Meeting of Shareholders: Basic Remuneration of no more than 100 million yen per year (The 55th Ordinary General Meeting of Shareholders held on June 25, 2009)

Individual payment amounts are determined within the range of the above resolution upon consultation among Audit & Supervisory Board Members.

Total Amount of Remuneration to Directors and Audit & Supervisory Board Members (FY2023)

(Yen in millions)

Classification	Amount of Remuneration	Basic Remuneration		Director Bonuses		Restricted Stock Compensation	
		Total amount	Persons paid (Persons)	Total amount	Persons paid (Persons)	Total amount	Persons paid (Persons)
Directors (excluding Outside Directors)	388	151	6	165	6	72	6
Outside Directors	41	41	3	—	—	—	—
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	48	48	3	—	—	—	—
Outside Audit & Supervisory Board Members	22	22	2	—	—	—	—
Total	499	262	14	165	6	72	6

(Note) Aside from the remuneration in the above table, the aggregate amount of remuneration to Directors (excluding Outside Directors) was 249 million yen in remuneration for services as employees or Executive Officers for those Directors who serve as such.

Cross-Shareholdings

Policy Regarding Cross-holding of Shares

We engage in cross-holding or unilateral holding of shares with the objective of improving our corporate value in the medium to long-term, focusing on corporate growth through maintenance of business relationships, realization of profits through shareholdings, and the social significance of the issuing companies. If the Company judges, as a result of annual examination of its shareholdings, that a particular shareholding does not provide value to the Company, the Company will reduce such shareholding.

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

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

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

Review of Cross-holdings of Shares

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

Exercise of Voting Rights

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

Directors, Audit & Supervisory Board Members and Executive Officers (as of June 27, 2023)

■: attendance at meetings of the Board of Directors (Fiscal 2023) ◎: attendance at meetings of the Nomination and Remuneration Committee (Fiscal 2023) ○: attendance at meetings of the Audit & Supervisory Board (Fiscal 2023)

Directors



Chairman of the Board and Representative Director

Goro Yamaguchi

Member of the Nomination and Remuneration Committee

■ Board of Directors: 12/12
 ◎ Nomination and Remuneration Committee: 2/2

Mar. 1978 Joined the Company
 Jun. 2003 Executive Officer of the Company
 Jun. 2005 Senior Executive Officer of the Company
 Apr. 2009 Managing Executive Officer of the Company
 Jun. 2009 Director and Managing Executive Officer of the Company
 Apr. 2013 President and Representative Director, President and Executive Officer of the Company
 Apr. 2017 Chairman of the Board and Representative Director of the Company [Present]
 (Important Concurrent Post outside the Company)
 Outside Director of KDDI Corporation

Reason for appointment

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



President and Representative Director

Hideo Tanimoto

■ Board of Directors: 12/12

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

Reason for appointment

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



Director

Hiroshi Fure

■ Board of Directors: 12/12

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

Reason for appointment

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



Director

Norihiko Ina

■ Board of Directors: 12/12

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

Reason for appointment

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



Director

Koichi Kano

■ Board of Directors: 12/12

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

Reason for appointment

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



Director

Shoichi Aoki

■ Board of Directors: 12/12

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

Reason for appointment

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



Director

Akiko Koyano

Outside Director

Independent Director

Member of the Nomination and Remuneration Committee

■ Board of Directors: 12/12

◎ Nomination and Remuneration Committee: 2/2

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

Reason for appointment

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



Director

Eiji Kakiuchi

Outside Director

Independent Director

Member of the Nomination and Remuneration Committee

■ Board of Directors: 12/12

◎ Nomination and Remuneration Committee: 2/2

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. [Present]
 Jun. 2021 Outside Director of the Company [Present]

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 Director

Independent Director

Member 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 President of Nippon Shinyaku Co., Ltd.
 Jun. 2021 Chairman of Nippon Shinyaku Co., Ltd. [Present]
 Jun. 2023 Outside Director of the Company [Present]

Reason for appointment

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

Audit & Supervisory Board Members



Full-time Audit & Supervisory Board Member

Shigeru Koyama

■ Board of Directors: 12/12
○ Audit & Supervisory Board: 8/8

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

Reason for appointment

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



Full-time Audit & Supervisory Board Member

Yushi Nishimura

■ Board of Directors: 10/10
○ Audit & Supervisory Board: 5/5

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

Reason for appointment

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



Audit & Supervisory Board Member

Hitoshi Sakata

Outside Audit & Supervisory Board Member

Independent Audit & Supervisory Board Member

■ Board of Directors: 12/12
○ Audit & Supervisory Board: 8/8

Apr. 1985 Admitted to be the Bar, Registered in the Kyoto Bar Association [Present]
Jul. 1995 Partner of Oike Law Office [Present]
Feb. 2010 Visiting Researcher of Faculty of Law, University of Cambridge
Apr. 2011 Professor of Graduate School of Law, Doshisha University (Doshisha Law School)
Jun. 2016 Outside Audit & Supervisory Board Member of the Company [Present]

Reason for appointment

Mr. Hitoshi Sakata possesses extensive experience and a high level of insight as an attorney-at-law, and has a thorough knowledge of corporate law and intellectual property overseas and, since his appointment as an Outside Audit & Supervisory Board Member, he has conducted effective audits from an objective and independent standpoint.



Audit & Supervisory Board Member

Masaaki Akiyama

Outside Audit & Supervisory Board Member

Independent Audit & Supervisory Board Member

■ Board of Directors: 12/12
○ Audit & Supervisory Board: 8/8

Oct. 1968 Joined Tomishima Audit Corporation (currently Ernst & Young ShinNihon LLC)
Mar. 1973 Registration as certified public accountant
Jun. 2016 Outside Audit & Supervisory Board Member of the Company [Present]
Jan. 2020 Representative of Masaaki Akiyama Certified Public Accountant Office [Present]

Reason for appointment

Mr. Masaaki Akiyama possesses considerable knowledge, and extensive experience and insight into financial and accounting matters as a certified public accountant and, since his appointment as an Outside Audit & Supervisory Board Member, has conducted effective audits from an objective and independent standpoint.

Executive Officers

President and Executive Officer		Managing Executive Officer						
Hideo Tanimoto	Hiroshi Fure Executive General Manager of Core Components Business	Norihiko Ina Executive General Manager of Solutions Business	Koichi Kano Executive General Manager of Electronic Components Business	Shoichi Aoki Executive General Manager of Headquarters	Takashi Sato Senior General Manager of Corporate General Affairs Human Resources Group	Masaki Iida Senior General Manager of Corporate Purchasing Group	Hironori Ando President and Representative Director of KYOCERA Document Solutions Inc.	Shiro Sakushima Deputy Executive General Manager of Electronic Components Business Senior General Manager of Corporate Electronic Components Group
Senior Executive Officer		Executive Officer						
Yoshihito Kurose President and Representative Director of KYOCERA Communication Systems Co., Ltd.	Tayo Hamano Senior General Manager of Corporate Management Promotion Group	Masaaki Ozawa Senior General Manager of Corporate Organic Materials Semiconductor Components Group	Tadashi Shinagawa Deputy Senior General Manager of Corporate Fine Ceramics Group	Senri Nagashima Senior General Manager of Corporate Industrial Tool Group	Hideji Yanagisawa Deputy Senior General Manager of Corporate Industrial Tool Group	Nobuhiro Higashihara General Manager of Production Technology & Development Group, Corporate R&D Group and Precision Machine Division	Eri Yoshikawa General Manager of Corporate Communications Division and Diversity Promotion Division, Corporate General Affairs Human Resources Group	Kenichiro Nakamura Senior General Manager of Corporate Ceramic Materials Semiconductor Components Group
Executive Officer								
Wataru Dokite Senior General Manager of Corporate Digital Business Promotion Group	Kayo Hashiura General Manager of Inamori Library Division and Philosophy Division, Corporate General Affairs Human Resources Group	Michinori Yamada Deputy Senior General Manager of Corporate Ceramic Materials Semiconductor Components Group	Shouichi Nakagawa Senior General Manager of Corporate R&D Group	Koichi Nagasaki Senior General Manager of Corporate Automotive Components Group	Masafumi Ikeuchi Senior General Manager of Corporate Display Group	Katsuhiko Suzuki Deputy Senior General Manager of Corporate Display Group	Hiroaki Chida Senior General Manager of Corporate Management Control Group	Katsuyuki Waki Senior General Manager of Corporate Development Group
Executive Officer								
Akira Iino Senior General Manager of Corporate Communication Equipment Group	Kazunori Shibata Senior General Manager of Corporate Legal and Intellectual Property Group	Nick Huntalas President and Director of KYOCERA International, Inc.	Jeff Schmersal Deputy Executive General Manager of Electronic Components Business, President and Director of KYOCERA AVX Components Corporation	Tetsuya Kawakami Senior General Manager of Corporate Printing Device Group	Naoto Kajiki Senior General Manager of Corporate Fine Ceramics Group			

Messages from Outside Directors and Outside Audit & Supervisory Board Members



Advising with executive experience gained outside of the Kyocera Group to promote business growth

Outside Director **Shigenobu Maekawa**

My selection as Outside Director was approved at the 69th General Meeting of Shareholders. The Kyocera Group has experienced remarkable growth in the years since its founding by Kazuo Inamori. It has become a global company, representing Japan to the world, and is recognized as an outstanding enterprise. It is therefore my honor to have been selected as a member of the Board. With the rapid advancement of digitalization brought on by COVID-19, emerging issues have added new challenges for management to address, making management itself more complex. I realize that I am expected to provide advice for Kyocera's overall business from an independent standpoint based on experience I gained outside of the Kyocera Group. Although I have worked in a different industry, I accumulated managerial experience in a harsh business environment that led a company to be recognized as valuable by society. To ensure Kyocera's further sustainable growth, it is important to have more active and meaningful discussion with outside directors at our Board meetings. As a top executive of another company, I myself am keenly aware of the importance of outside director advice to the Board. I will continue to leverage my experience in presenting advice at Board meetings while working to enhance dialogue among directors. I will also strive to deepen my understanding of Kyocera's businesses and thereby contribute to the company's growth.

Anticipating that all employees will continue to apply originality and ingenuity for their material and intellectual growth

Outside Director **Akiko Koyano**

Kyocera achieved record consolidated sales revenue (exceeding 2 trillion yen for the first time) in the year ended March 2023, and shared a roadmap for achieving 3 trillion yen in sales through mid-term management plans announced in May 2023. Two things should be emphasized as we prepare for this next goal. First, Kyocera's defining feature is our affinity for pursuing new challenges through businesses that contribute to the advancement of society and humankind, a reflection of the Kyocera Philosophy left to us by our founder, Kazuo Inamori, who passed away in August 2022. It is important that we communicate this in an easy-to-understand way not only with employees, but also externally as well. We've been introducing the Company in various ways, including promotional animations, which can be very meaningful. The second thing is that our growth to 2 trillion yen in annual sales was the result of individual efforts made by all employees over many years, with the understanding and support of their families. Our next challenge of achieving 3 trillion yen in annual sales will likewise be possible only through the support of these people. One of the initiatives our top management is now promoting is a new paternity leave policy for fathers in the workforce, which expands on the original maternal leave policy. Supporting our families by enabling employees to remain in the workforce while rearing children, or providing nursing care for family members, is extremely important. I expect Kyocera to continue providing consistent support for all employees to ensure their material and intellectual fulfillment.

Contributing to the effectiveness of the Board of Directors through discussions on growth opportunities, future vision, and competitive advantages

Outside Director **Eiji Kakiuchi**

In FY2023, despite rising global inflation and weaker demand for smartphones, Kyocera marked the highest sales in its history and achieved its consolidated revenue target of 2 trillion yen. On Kyocera Investor Relations (IR) Day in November 2022, we announced our mid-term goal to achieve 3 trillion yen in sales, with a 20% pre-tax profit ratio, and over 10% return on equity. Subsequently, in May 2023, Kyocera released its new mid-term management plans. These dynamic moves were each discussed in our Board of Directors' meetings, where even extraordinary impetus on the executive side met with serious exchange of opinion from diverse perspectives among directors. We also discussed growth opportunities, future vision, and the competitive advantages of Kyocera. Although Kyocera is engaged in a broad range of businesses, the mid-term management plans show a unifying strategy of aggressive investment in priority fields. I think the company succeeded in showing a direction for growth that shareholders and institutional investors could readily support. Our Board of Directors' meetings also include IR activity reports and feedback from shareholders and institutional investors, reflecting our top management's engagement with capital markets. Information and training for outside directors, such as a visit to a factory in Kokubu last year, contributed to the effectiveness of the Board. In FY2024, we will deepen our discussions of sustainable management, including investment approaches to growth and climate change, as a means of responding to shareholder expectations and fulfilling our mid-term management plans.

Expecting Kyocera employees to open a new era by working with confidence at the forefront of technology

Outside Audit & Supervisory Board Member **Hitoshi Sakata**

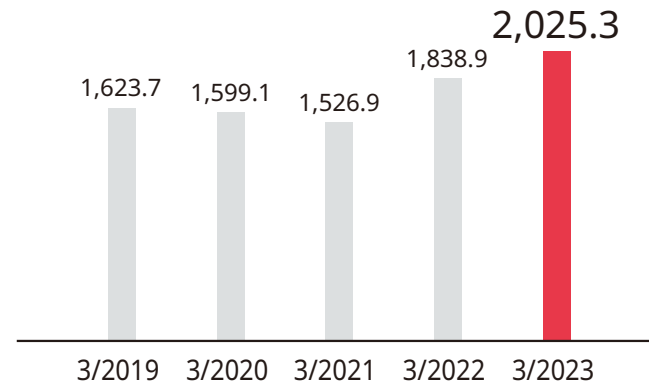
Looking back on the past year, although we faced significant challenges, including semiconductor shortages and rising energy prices, issues in each segment gradually improved, and sales exceeded 2 trillion yen for the first time. We are now concentrating capital investment and R&D into high-growth fields from a mid- to long-term perspective. The Kyocera Group's corporate governance has also improved, with new evaluation criteria introduced by the internal audit department two years ago enabling us now to identify issues by important level, which shows that the effectiveness of corporate governance has been ensured across the Kyocera Group without any major problems. Appropriate amount of materials are distributed before Board of Directors' meetings, and lively discussions take place. I hold great expectations for employees, not only expecting them to take pride in our improved business performance, but also expecting them to work with confidence to open a new era of manufacturing at the forefront of technology. We recognize the necessity of establishing a work environment that allows flexible working conditions in step with the needs of the times. As an attorney, I hope to contribute to the further development of the Kyocera Group.

Identifying obstacles to the Company's sustainable growth, and advising ways to overcome them

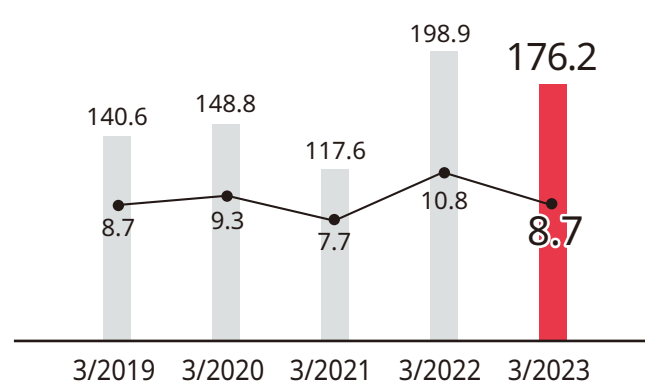
Outside Audit & Supervisory Board Member **Masaaki Akiyama**

I regard Kyocera's long-term, sustainable growth as resulting from its Amoeba Management system and the Kyocera Philosophy, which function together like wheels on a bicycle. Through Amoeba Management, each employee is encouraged to have the mindset of a manager, considering new ways to maximize sales and profits, and making "the right decision as human being" in any situation. We support sustainable growth by responding flexibly to ever-changing markets and creating high-value-added products. At the same time, the Kyocera Philosophy supports better corporate activities that contribute to society. Outside Auditors provide opinions to directors as a third party independent from the company. I view the role of an Outside Auditor as identifying obstacles to the Company's sustainable growth, and providing advice on how to eliminate them. At Board of Directors meetings, we discuss management plans, especially plans for new businesses. At meetings of the Audit & Supervisory Board, we strive to identify risks facing the entire Kyocera Group by reviewing audit plans and results, reviewing quarterly accounting audit plans and results from the Kyoto-based accounting auditor, and reviewing reports of subsidiary company audits as well.

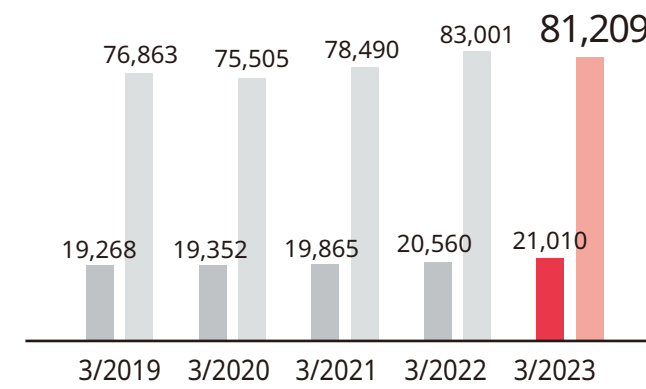
Sales revenue (billion yen)



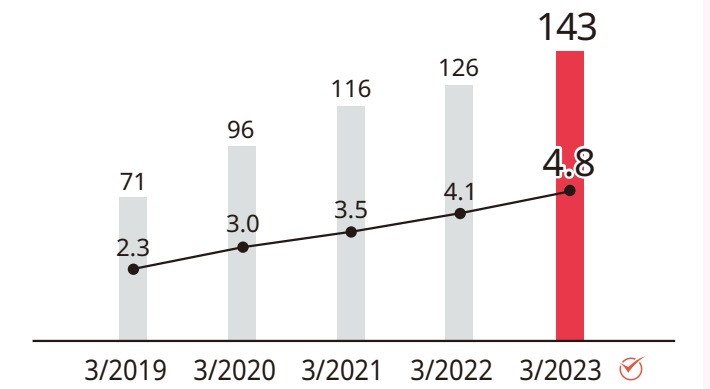
Profit before income taxes (billion yen) / Profit before income taxes to sales revenue (%)



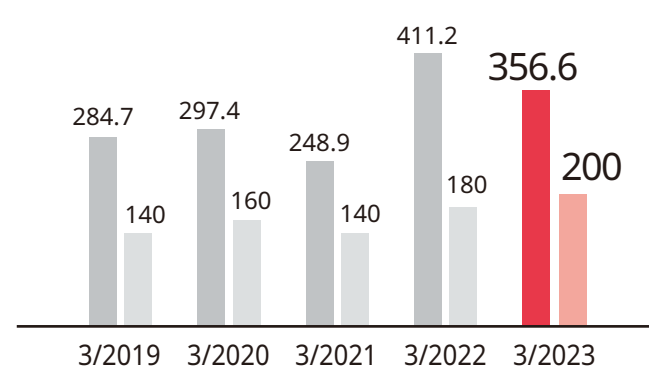
Number of employees



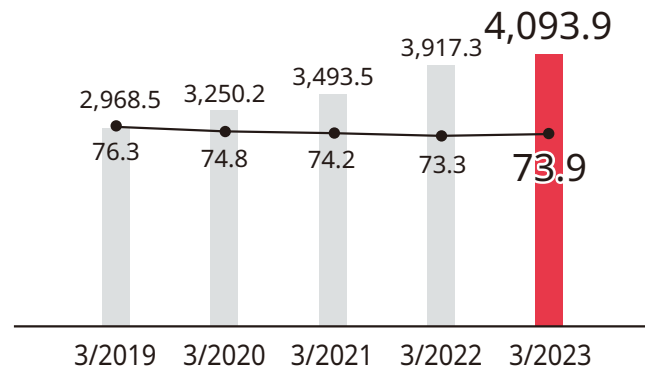
Number of female managers / Ratio of female managers (%)



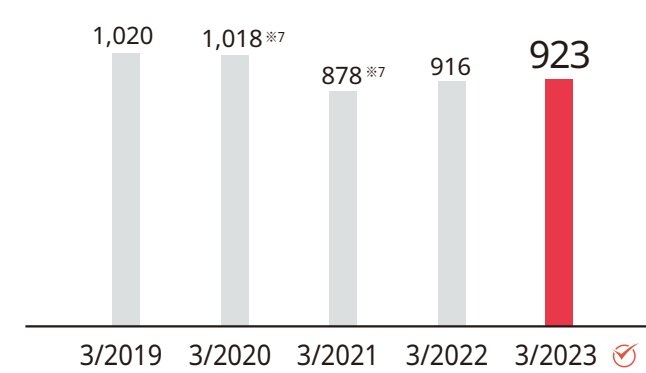
EPS - Diluted (yen) / Cash dividends per share (yen)



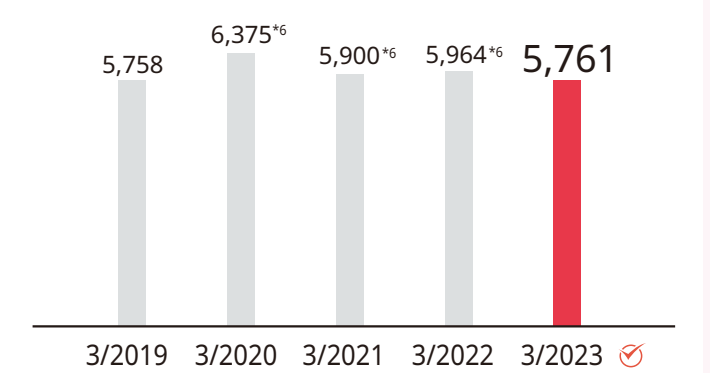
Total assets (billion yen) / Ratio of equity attributable to owners of the parent to total assets (%)



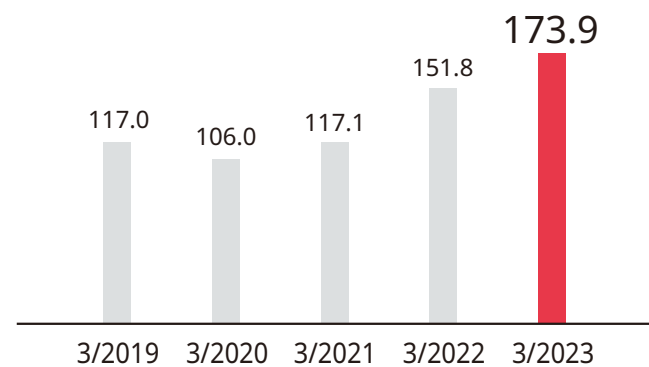
Greenhouse gas emissions (Scope 1, 2) (1,000 tons-CO₂)



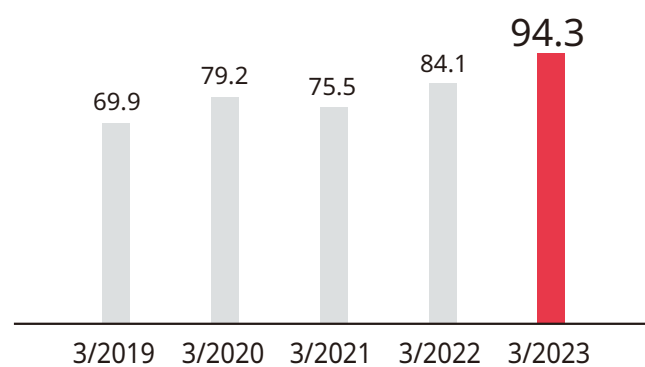
Greenhouse gas emissions (Scope 1, 2, 3) (1,000 tons-CO₂)



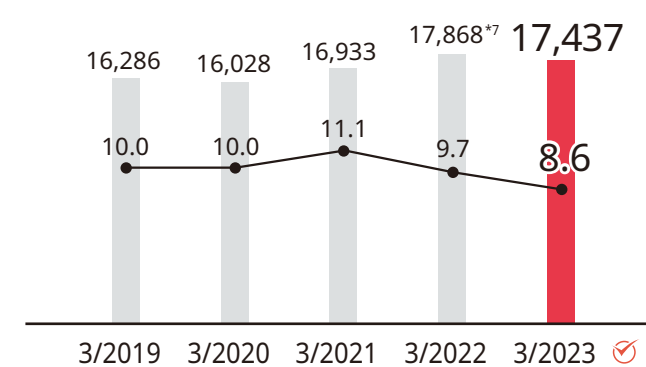
Capital expenditures (billion yen)



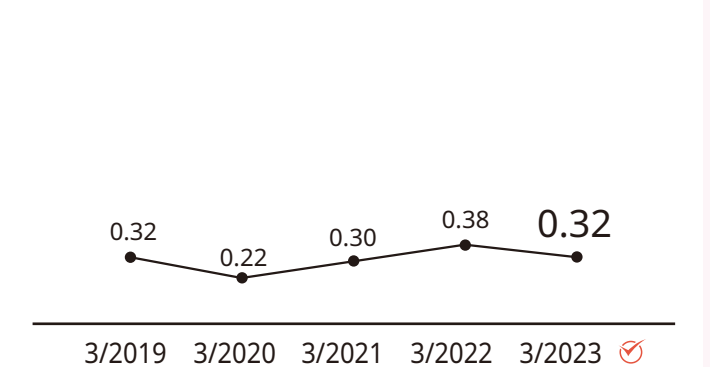
R&D expenses (billion yen)



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



Lost time accident rate



*1 Earnings per share (EPS) attributable to owners of the parent - Diluted is calculated by adjusting the effect of dilutive potential stocks. 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.

*2 "Cash dividends per share" in the year ended March 31, 2019 (FY3/2019) includes the 60th anniversary commemoration dividend in the amount of 20 yen per share.

*3 Number of female managers / Total number of managers

*4 Scope 1: Direct emission associated with fuel consumption and production processes
Scope 2: Indirect emission associated with consumption of power or heat purchased from outside

*5 Scope 3: 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)

*6 Figures has been updated due to the improved accuracy of data aggregation.

*7 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.)

Major consolidated financial data (from FY3/2013 to FY3/2023)

	(Yen in billions)										
FY: For the years ended March 31.	3/2013	3/2014	3/2015	3/2016	3/2017	3/2018	3/2019	3/2020	3/2021	3/2022	3/2023
Sales revenue and profit											
Sales revenue	1,280.1	1,447.4	1,526.5	1,479.6	1,422.8	1,577.0	1,623.7	1,599.1	1,526.9	1,838.9	2,025.3
Operating profit	76.9	120.6	93.4	92.7	104.5	90.7	94.8	100.2	70.6	148.9	128.5
Operating profit to sales revenue (%)	6.0	8.3	6.1	6.3	7.3	5.8	5.8	6.3	4.6	8.1	6.3
Profit before income taxes	101.4	146.3	121.9	145.6	137.8	130.0	140.6	148.8	117.6	198.9	176.2
Profit before income taxes to sales revenue (%)	7.9	10.1	8.0	9.8	9.7	8.2	8.7	9.3	7.7	10.8	8.7
Profit attributable to owners of the parent	66.5	88.8	115.9	109.0	103.8	79.1	103.2	107.7	90.2	148.4	128.0
Profit attributable to owners of the parent to sales revenue (%)	5.2	6.1	7.6	7.4	7.3	5.0	6.4	6.7	5.9	8.1	6.3
Assets and equity											
Total assets	2,282.9	2,636.7	3,021.2	3,095.0	3,110.5	3,128.8	2,968.5	3,250.2	3,493.5	3,917.3	4,093.9
Equity attributable to owners of the parent	1,646.2	1,910.1	2,215.3	2,284.3	2,334.2	2,325.8	2,265.9	2,432.1	2,591.4	2,871.6	3,023.8
Per share data											
EPS (Diluted-yen) ^(A)	181.2	241.9	315.9	297.2	282.6	215.2	284.7	297.4	248.9	411.2	356.6
Cash dividends per share (yen) ^(B)	60	80	100	100	110	120	140	160	140	180	200
BPS: Equity per share attributable to owners of the parent (yen)	4,486.9	5,206.5	6,038.6	6,226.6	6,348.0	6,325.1	6,263.7	6,710.6	7,149.9	8,001.0	8,424.8
Capital expenditures, Depreciation charge, R&D expenses											
Capital expenditures	56.7	56.6	56.7	68.9	67.8	86.5	117.0	106.0	117.1	151.8	173.9
Depreciation charge of property, plant and equipment	63.1	65.8	62.4	65.9	66.0	69.7	51.5	62.4	73.8	90.2	108.8
R&D expenses	47.5	48.8	55.3	58.8	55.4	58.3	69.9	79.2	75.5	84.1	94.3
Cash flows											
Cash flows from operating activities	109.5	149.1	130.8	194.0	164.2	158.9	220.0	214.6	220.8	202.0	179.2
Cash flows from investing activities	(66.1)	(101.1)	(93.6)	(106.8)	(112.1)	(53.1)	(47.1)	(145.6)	(183.8)	(79.5)	(1,688)
Cash flows from financing activities	(31.4)	(32.8)	(40.0)	(50.6)	(48.0)	(51.6)	(89.1)	(157.1)	(81.0)	(111.5)	(613)
Free cash flow ^(C)	43.4	48.0	37.2	87.2	52.1	105.8	172.9	69.1	37.0	122.5	104
ROA, ROE, EBITDA											
ROA (%)	4.7	5.9	4.3	4.8	4.4	4.2	4.6	4.8	3.5	5.4	4.4
ROE (%)	4.3	5.0	5.6	4.8	4.5	3.4	4.5	4.6	3.6	5.4	4.3
EBITDA ^(D)	176.9	224.4	196.6	224.0	216.1	213.9	205.7	243.1	228.8	330.7	329.4
Others											
Dividend payout ratio (%)	33.1	33.1	31.7	33.6	38.9	55.8	49.1	53.8	56.2	43.8	56.1
Number of employees	71,645	69,789	68,185	69,229	70,153	75,940	76,863	75,505	78,490	83,001	81,209

• 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, 2013 (FY3/2013) to the year ended March 31, 2017 (FY3/2017) in the above table.

Kyocera Corporation undertook a stock split at the ratio of 2 for 1 of all common shares on October 1, 2013, per share data in each fiscal year are retrospectively re-calculated based on the ratio of the stock split.

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 20 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

Consolidated Statement of Financial Position

(Yen in millions)

	As of March 31, 2022	As of March 31, 2023
(Assets)		
Current assets:	1,329,123	1,357,312
Cash and cash equivalents	414,129	373,500
Short-term investments	25,460	4,787
Trade and other receivables	379,066	380,972
Other financial assets	18,623	18,615
Inventories	452,506	539,441
Other current assets	39,339	39,997
Non-current assets:	2,588,142	2,736,616
Equity and debt instruments	1,469,133	1,508,258
Investments accounted for using the equity method	15,795	16,752
Other financial assets	41,540	42,567
Property, plant and equipment	512,175	587,478
Right-of-use assets	40,703	62,620
Goodwill	262,985	271,156
Intangible assets	149,879	147,782
Deferred tax assets	36,483	39,759
Other non-current assets	59,449	60,244
Total assets	3,917,265	4,093,928

(Yen in millions)

	As of March 31, 2022	As of March 31, 2023
(Liabilities)		
Current liabilities:	539,349	461,074
Borrowings	79,382	29,060
Trade and other payables	222,962	203,864
Lease liabilities	17,326	20,351
Other financial liabilities	16,552	4,741
Income tax payables	20,390	17,224
Accrued expenses	134,282	135,836
Provisions	7,010	8,014
Other current liabilities	41,445	41,984
Non-current liabilities:	479,643	584,019
Borrowings	17,163	107,726
Lease liabilities	35,390	52,664
Retirement benefit liabilities	23,129	8,621
Deferred tax liabilities	384,513	393,961
Provisions	9,631	10,239
Other non-current liabilities	9,817	10,808
Total liabilities	1,018,992	1,045,093
(Equity)		
Equity attributable to owners of the parent:	2,871,554	3,023,777
Common stock	115,703	115,703
Capital surplus	122,751	119,144
Retained earnings	1,846,102	1,912,372
Other components of equity	880,297	969,801
Treasury stock	(93,299)	(93,243)
Non-controlling interests	26,719	25,058
Total equity	2,898,273	3,048,835
Total liabilities and equity	3,917,265	4,093,928

Consolidated Statement of Profit or Loss

(Yen in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2023
Sales revenue	1,838,938	2,025,332
Cost of sales	1,325,295	1,460,388
Gross profit	513,643	564,944
Selling, general and administrative expenses	364,733	436,427
Operating profit	148,910	128,517
Finance income	45,208	52,289
Finance expenses	2,750	3,594
Foreign exchange gains (losses)	2,748	(4,651)
Share of net profit (loss) of investments accounted for using the equity method	(807)	695
Other, net	5,638	2,936
Profit before income taxes	198,947	176,192
Income taxes	46,911	45,227
Profit for the year	152,036	130,965

Consolidated Statement of Comprehensive Income

(Yen in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2023
Profit for the year	152,036	130,965
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	144,547	25,263
Re-measurement of defined benefit plans	9,502	6,890
Total items that will not be reclassified to profit or loss	154,049	32,153
Items that may be reclassified subsequently to profit or loss:		
Net changes in fair value of cash flow hedge	34	(12)
Exchange differences on translating foreign operations	64,218	64,175
Share of other comprehensive income of investments accounted for using the equity method	267	(48)
Total items that may be reclassified subsequently to profit or loss	64,519	64,115
Total other comprehensive income	218,568	96,268
Comprehensive income for the year	370,604	227,233

Profit attributable to:

Owners of the parent	148,414	127,988
Non-controlling interests	3,622	2,977
Profit for the year	152,036	130,965

Comprehensive income attributable to:

Owners of the parent	365,805	223,978
Non-controlling interests	4,799	3,255
Comprehensive income for the year	370,604	227,233

Consolidated Statement of Changes in Equity

(Yen in millions)

For the year ended March 31, 2022	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Other components of equity	Treasury stock	Total		
Balance as of April 1, 2021	115,703	122,745	1,750,259	671,951	(69,243)	2,591,415	24,695	2,616,110
Profit for the year			148,414			148,414	3,622	152,036
Other comprehensive income				217,391		217,391	1,177	218,568
Total comprehensive income for the year	—	—	148,414	217,391	—	365,805	4,799	370,604
Cash dividends			(61,616)			(61,616)	(2,756)	(64,372)
Purchase of treasury stock					(24,111)	(24,111)		(24,111)
Reissuance of treasury stock		27			55	82		82
Transactions with non-controlling interests and other								
Transfer to retained earnings			9,045	(9,045)				
Other		(21)				(21)	(19)	(40)
Balance as of March 31, 2022	115,703	122,751	1,846,102	880,297	(93,299)	2,871,554	26,719	2,898,273

(Yen in millions)

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

Consolidated Statement of Cash Flows

(Yen in millions)

	For the year ended March 31, 2022	For the year ended March 31, 2023
Cash flows from operating activities:		
Profit for the year	152,036	130,965
Depreciation and amortization	128,960	149,603
Finance expenses (income)	(42,458)	(48,695)
Share of net profit of investments accounted for using the equity method	807	(695)
Impairment loss	2,400	1,306
(Gains) losses from sales or disposal of property, plant and equipment	(8,052)	(1,667)
Income taxes	46,911	45,227
(Increase) decrease in trade and other receivables	(29,147)	9,732
(Increase) decrease in inventories	(85,344)	(67,949)
(Increase) decrease in other assets	12,784	10,307
Increase (decrease) in trade and other payables	(3,821)	(29,661)
Increase (decrease) in accrued expenses	8,994	2,752
Increase (decrease) in other liabilities	(4,718)	(25,554)
Other, net	(1,066)	5,178
Subtotal	178,286	180,849
Interests and dividends received	45,479	52,362
Interests paid	(2,297)	(2,535)
Income taxes refund (paid)	(19,511)	(51,464)
Net cash provided by operating activities	201,957	179,212
Cash flows from investing activities:		
Payments for purchases of property, plant and equipment	(134,490)	(176,624)
Payments for purchases of intangible assets	(12,412)	(10,019)
Proceeds from sales of property, plant and equipment	11,059	3,595
Acquisitions of business, net of cash acquired	(1,680)	(3,093)
Acquisition of time deposits and certificate of deposits	(90,530)	(14,694)
Withdrawal of time deposits and certificate of deposits	121,332	33,966
Payments for purchases of securities	(2,801)	(5,071)
Proceeds from sales and maturities of securities	30,279	4,960
Other, net	(214)	(1,853)
Net cash used in investing activities	(79,457)	(168,833)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(135)	(10,000)
Proceeds from long-term borrowings	11,739	98,198
Repayments of long-term borrowings	(14,363)	(49,518)
Repayments of lease liabilities	(20,829)	(23,975)
Dividends paid	(63,774)	(70,117)
Reissuance of treasury stock	(24,111)	(14)
Acquisition of non-controlling interests	—	(5,832)
Other, net	0	1
Net cash used in financing activities	(111,473)	(61,257)
Effect of exchange rate changes on cash and cash equivalents	16,375	10,249
Increase (decrease) in cash and cash equivalents	27,402	(40,629)
Cash and cash equivalents at the beginning of the year	386,727	414,129
Cash and cash equivalents at the end of the year	414,129	373,500

SASB Index

The Kyocera Group discloses important sustainability information pertinent to the Kyocera Group based on the Sustainability Accounting Standard provided by the Sustainability Accounting Standards Board (SASB). While the Kyocera Group is involved in business across multiple industries, the Group's main line of business is in hardware, and sustainability information has been disclosed in accordance with the standards for this industry.

Applicable businesses are our communication devices (smartphones and mobile phones) and information devices (printers and MFPs) businesses in the solutions segment.

Code	Accounting/ Activity Metrics	Reference for Performance / Observations and Analysis																	
		Communication Devices (Smartphones and Mobile Phones)	Information Devices (Printers and MFPs)																
Accounting Metrics																			
Product Security																			
TC-HW-230a.1	Explanation of measures for identifying and handling product-related information security risks	<ul style="list-style-type: none"> ● Identification and handling of product-related information security risks <ul style="list-style-type: none"> • Not disclosed. ● Products, services, and functions used to enhance product security <ul style="list-style-type: none"> • Security ● Status of obtaining ISO 27001 certification and other information security management-related standards <ul style="list-style-type: none"> • ISO/IEC 27001 (Kyocera Corp. Hokkaido Kitami Plant/Osaka Office (Corporate Communication Equipment Group); Date obtained/renewed: November 10, 2020; Certification number: IS 735576) 	<ul style="list-style-type: none"> ● Identification and handling of product-related information security risks <ul style="list-style-type: none"> • About Kyocera's Security ● Products, services, and functions used to enhance product security <ul style="list-style-type: none"> • Cost Control & Security ● Status of obtaining ISO 27001 certification and other information security management-related standards <ul style="list-style-type: none"> • ISO/IEC 27001 (KYOCERA Document Solutions Inc.; Date obtained/renewed: November 17, 2017; Certification number: IS 676497) • ISO/IEC 27017 (KYOCERA Document Solutions Inc.; Date renewed: October 22, 2020; Certification number: IS 735190) 																
Diversity and Inclusion																			
TC-HW-330a.1	Gender ratio, and composition (%) by race and ethnicity in (1) Management (executives and managers), (2) Engineering staff, and (3) Other employees	<ul style="list-style-type: none"> ● Gender ratio <table border="1"> <thead> <tr> <th>Employee category</th> <th>Range</th> <th>Women</th> <th>Men</th> </tr> </thead> <tbody> <tr> <td>(1) Management (executives and managers)</td> <td>Consolidated</td> <td>13.3%</td> <td>86.7%</td> </tr> <tr> <td>(2) Engineering staff</td> <td>Non-consolidated</td> <td>9.8%</td> <td>90.2%</td> </tr> <tr> <td>(3) Other employees</td> <td>Non-consolidated</td> <td>23.0%</td> <td>77.0%</td> </tr> </tbody> </table> ● Race and ethnicity composition not disclosed. 	Employee category	Range	Women	Men	(1) Management (executives and managers)	Consolidated	13.3%	86.7%	(2) Engineering staff	Non-consolidated	9.8%	90.2%	(3) Other employees	Non-consolidated	23.0%	77.0%	
Employee category	Range	Women	Men																
(1) Management (executives and managers)	Consolidated	13.3%	86.7%																
(2) Engineering staff	Non-consolidated	9.8%	90.2%																
(3) Other employees	Non-consolidated	23.0%	77.0%																
	Explanation of the Company's policies and programs on the fair and impartial cultivation of human resources at business locations in Japan and abroad	<ul style="list-style-type: none"> ● Promoting Diversity and Inclusion 																	
Product Life Cycle Management																			
TC-HW-410a.1	Amount (%) of sales revenue and profit generated by products containing substances reported in accordance with the IEC 62474 standard	● 100%	● 100% (For North America)																

Code	Accounting/ Activity Metrics	Reference for Performance / Observations and Analysis	
		Communication Devices (Smartphones and Mobile Phones)	Information Devices (Printers and MFPs)
	Explanation of measures for managing the use of substances reported in accordance with the IEC 62474 standard	<ul style="list-style-type: none"> ● Environmentally Friendly Products / Green Procurement "Green Procurement Efforts in Cooperation with Business Partners," "Product Response to Environmental Regulation" 	
TC-HW-410a.2	Amount(%)of sales revenue and profit generated by products that conform to EPEAT standards, or equivalent environment evaluation standards	● 79.4% (For North America)	● 99.9% (For North America)
	Explanation of environmentally-friendly policy measures, and of initiatives to reflect said policies in product designs	<ul style="list-style-type: none"> ● Environmentally Friendly Products / Green Procurement "Concept of Environmental Consciousness," "Environmentally Conscious Designs for Printers and Multifunctional Products (MFPs)," "Compliance with Environmental Product Standards" ● Document Solutions business Efforts at Each Stage of Product Life Cycle 	
TC-HW-410a.3	Amount (%) of sales revenue and profit generated by products meeting the ENERGY STAR® standard	● Not disclosed for smartphones and mobile phones as these product fall outside the scope of the ENERGY STAR® standard	● 99.9% (For North America)
TC-HW-410a.4	Amount of used products and waste from electric and electronic products collected (t) and recycled (%)	<ul style="list-style-type: none"> ● While Kyocera Corporation has joined the Mobile Recycle Network (MRN) and joins other companies in the Japanese market in collecting and recycling products and waste, the Company does not disclose the amount of Kyocera products collected and recycled. ● Recycling Activities "Product Recycling Initiatives" 	<ul style="list-style-type: none"> ● Amount collected: 2,392t (Japanese market, including toner containers) ● Amount recycled: 78.7%
Supply Chain Management			
TC-HW-430a.1	Amount (%) of primary suppliers that have received an RBA third-party audit (VAP: An evaluation of the state of compliance with the Code of Conduct) or an equivalent evaluation at (a) all facilities, and (b) high-risk facilities	<ul style="list-style-type: none"> ● Supply Chain Management "Supply chain CSR assessments from an ESG perspective" 	
TC-HW-430a.2	(1) The rate of failure, and (2) the ratio (%) of corrective measures taken to address (a) priority non-conformities, and (b) other non-conformities by primary suppliers as part of an RBA third-party audit or an equivalent audit		
Procurement of Raw Materials			
TC-HW-440a.1	Explanation of risk management concerning the use of critical materials	<ul style="list-style-type: none"> ● Supply Chain Management "Supply Chain BCP Survey," "Commitment to Responsible Mineral Procurement" ● Disaster Preparedness "Supply Chain Related BCP Efforts" 	
Activity Metrics			
TC-HW-000.A	Number of manufacturing units by product category (units)	● 2.0 million units	● 1.7 million units
TC-HW-000.B	Area of manufacturing facilities (m ²)	● KYOCERA Corporation Hokkaido Kitami Plant: 7,600 m ²	<ul style="list-style-type: none"> ● KYOCERA Document Solutions Inc. Hirakata Plant : 46,000 m² ● KYOCERA Document Technology Shilong Plant (China): 137,000 m² ● KYOCERA Document Technology Vietnam Plant: 200,000 m²
TC-HW-000.C	Production amount (%) at Company-owned facilities	● 100%	● 100%

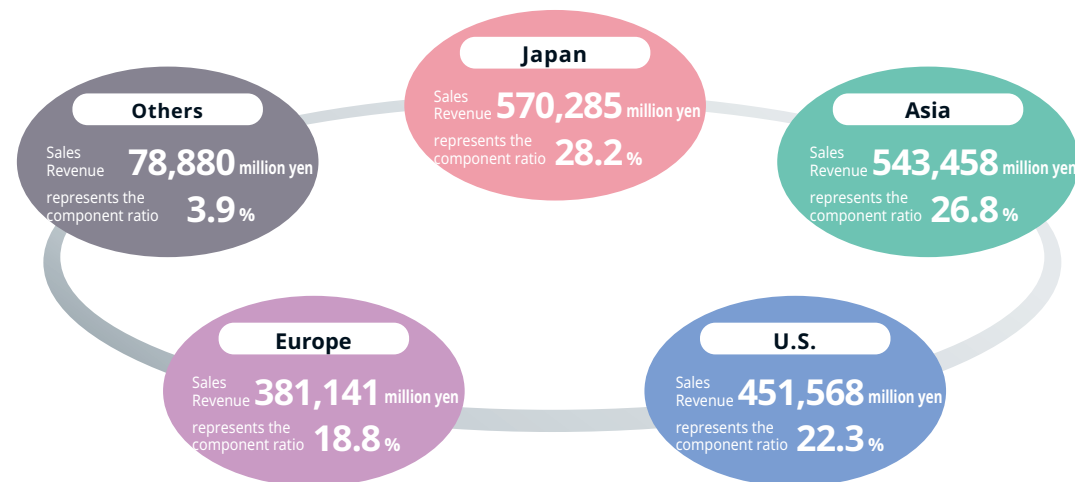
Corporate Summary (as of March 31, 2023)

Established	April 1, 1959	Stock Listing	Prime market, Tokyo Stock Exchange (6971)
Global headquarters	6 Takeda Tobadono-cho, Fushimi-ku, Kyoto, Japan 612-8501	Closing date	March 31
Capital	115,703 million yen	Record date for the determination of shareholders	Voting rights at Ordinary General Meeting of Shareholders, year-end dividend: March 31 Interim dividend: September 30
Consolidated sales revenue	2,025,332 million yen	Ordinary General Meeting of Shareholders	June
Group companies	298 (Including KYOCERA Corporation)		
Group employees	81,209 (Japan: 28,555, Outside Japan: 52,654) (Excluding non-consolidated subsidiaries and affiliates accounted for by the equity method)		

Main Kyocera Group Companies (as of March 31, 2023)

<p>Japan</p> <ul style="list-style-type: none"> KYOCERA Industrial Tools Corporation KYOCERA Communication Systems Co., Ltd. KYOCERA Document Solutions Inc. KYOCERA Document Solutions Japan Inc. KYOCERA Realty Development Co., Ltd. 	<p>Europe</p> <ul style="list-style-type: none"> KYOCERA Europe GmbH KYOCERA Document Solutions Deutschland GmbH TA Triumph-Adler GmbH KYOCERA Document Solutions Europe B.V. KYOCERA UNIMERCO A/S
<p>Asia</p> <ul style="list-style-type: none"> 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 (Thailand) Co., Ltd. KYOCERA Asia Pacific Pte. Ltd. 	<p>North America</p> <ul style="list-style-type: none"> KYOCERA International, Inc. KYOCERA AVX Components Corporation KYOCERA SENCO Industrial Tools, Inc. KYOCERA Industrial Tools, Inc. KYOCERA Document Solutions America, Inc.

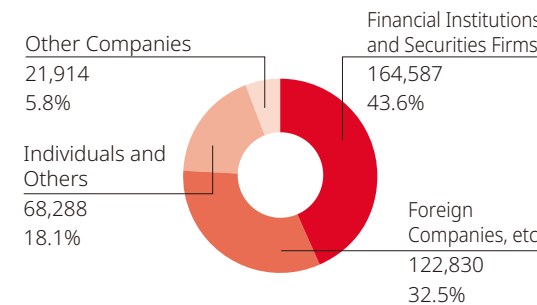
Global Network (as of March 31, 2023)



Shares (as of March 31, 2023)

Total Number of Shares Authorized to Be Issued	600,000,000 shares
Total Number of Shares Issued	377,618,580 shares (of which 18,705,580 are treasury shares)
Number of Shareholders	59,745

Shareholder Composition (Shares in thousands)

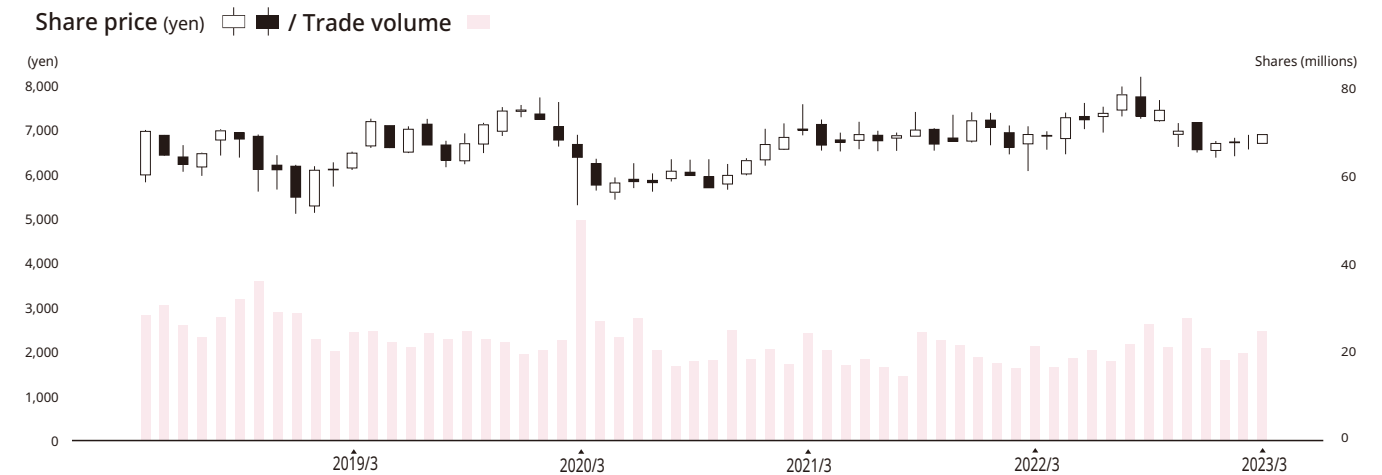


Major Shareholders (Top 10 Largest Shareholders)

Name	Number of Shares Owned (Shares in thousands)	Share Ownership Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	80,802	22.51
Custody Bank of Japan, Ltd. (Trust Account)	33,179	9.24
The Bank of Kyoto, Ltd.	14,436	4.02
SSBTC CLIENT OMNIBUS ACCOUNT	10,527	2.93
Inamori Foundation	9,360	2.61
Stock Purchase Plan for Kyocera Group Employees	6,759	1.88
STATE STREET BANK WEST CLIENT - TREATY 505234	5,704	1.59
Shinobu Kanazawa	5,237	1.46
Mizuho Inamori	5,237	1.46
MUFG Bank, Ltd.	5,077	1.41

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

Trends of Share Price (March 31, 2018 to March 31, 2023)



Total Shareholder Return (TSR)

	3/2019	3/2020	3/2021	3/2022	3/2023
Kyocera Corporation (%)	110.6	111.7	124.3	125.0	128.4
Dividend-included TOPIX (%)	95.0	85.9	122.1	124.6	131.8

Total shareholder return is calculated based on the share price as of the end of March 2018 as 100.

Annual Cash Dividend per Share and Consolidated Payout Ratio

	3/2019	3/2020	3/2021	3/2022	3/2023
Cash dividends per share (yen)	140	160	140	180	200
Consolidated payout ratio (%)	49.1	53.8	56.2	43.8	56.1

"Cash dividends per share" in FY3/2019 includes the 60th anniversary commemoration dividend in the amount of 20 yen per share.



KYOCERA Corporation

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