Section

5

Management Capital as the Source of Value Creation

32 Flash Memory Production Scale

36 Technology

40 Partnerships

43 Human Resources

Flash Memory Production Scale (Manufactured Capital)

Achieving Scale and Cost Competitiveness with State-of-the-Art Flash Memory Plants



Key Points

Capital investment
(FY2025)

283.7 billion yen

Global share of flash memory production volume on a storage capacity basis
(including joint venture with Sandisk Group, FY2025)

28%

Source: TechInsights Inc., *NAND Market Report Q1, 2026*

Smart factories maximizing performance through an integrated production system combining the Yokkaichi Plant and the Kitakami Plant

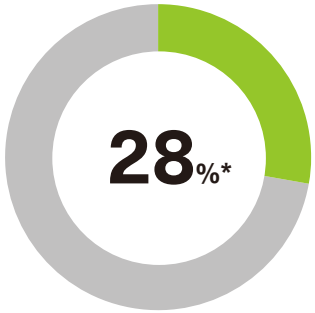
High cost competitiveness through disciplined capital investment and world-class flash memory production scale

One of the World's Largest Flash Memory Production Volumes

The combined flash memory production volume on a storage capacity basis of the Yokkaichi Plant and the Kitakami Plant, including that of the manufacturing joint venture between Kioxia Group and Sandisk Group, accounts for one of the world's largest shares at 28%.*

Fab7 of the Yokkaichi Plant started operation in October 2022, and Fab2 of the Kitakami Plant started operation in September 2025. These facilities will continue to meet expected growth in demand for flash memory going forward.

Global Share of Flash Memory Production Volume on a Storage Capacity Basis (FY2025)



* Source: TechInsights Inc., *NAND Market Report Q1, 2026*

Cost Competitiveness Based on Production Scale and Efficiency

Kioxia Group achieves high production efficiency through close coordination between the Yokkaichi Plant and the Kitakami Plant, which operate as smart factories utilizing AI and big data. These facilities meet growing flash memory demand with high cost competitiveness, supporting our sustainable growth.

One of the world's largest production capacities × **High production efficiency** → **High cost competitiveness**

Manufacturing Leadership That Drives Our Joint Venture

Approximately 80% of the production capacity of the Yokkaichi Plant and the Kitakami Plant is shared equally with Sandisk Group through a manufacturing joint venture, while the remaining 20% is held exclusively by Kioxia Group. Accordingly, approximately 60% of the flash memory produced at the two plants is allocated to Kioxia Group. Kioxia Group manages and operates both plants, and possesses advanced manufacturing expertise.

Flash Memory Production Scale

Systems and Technologies That Enable Production at Scale

The flash memory manufacturing process can be broadly divided into a front-end process, in which circuits are formed on silicon wafers, and a back-end process, in which the wafers are cut into tiny chips that are stacked and packaged. As the rapid adoption of AI drives demand for higher-capacity flash memory, we are responding through advances in both stages of the manufacturing process: increasing capacity per chip at the front end and increasing capacity per package at the back end.

Smart Factories

Increased Production Scale and Efficiency Driven by AI and Big Data

At our plants, manufacturing, inspection and metrology equipment generate a substantial amount of manufacturing-related data every day. At the Yokkaichi Plant, the production lines generate approximately 3 billion data points per day. AI is used to analyze data in real time for various purposes, including to help prevent product defects and automatically identify likely causes when defects do occur.

Amount of Manufacturing-Related Data Generated per Day at the Yokkaichi Plant

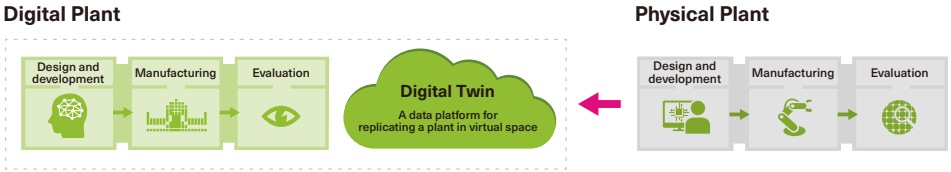
We are working to improve yields amid plant expansion and an exponential rise in the amount of data handled.

Through 2019: Approx. 2 billion data points/day	→	2025: Approx. 3 billion data points/day
Up to Fab6 in operation		Up to Fab7 in operation

A Digital Twin Enabling Close Coordination between the Yokkaichi Plant and the Kitakami Plant

The data obtained from manufacturing equipment and systems at both plants is replicated in a virtual environment in real time. Leveraging this “digital twin” technology, we optimize manufacturing conditions based on large amounts of data and apply them to the manufacturing processes at both plants, enabling the plants to effectively share expertise and achieve high productivity.

This approach enabled us to rapidly ramp up the Kitakami Plant, which commenced mass production of flash memory products in 2020, and to achieve higher yields more smoothly than in the past. As a recent milestone, we successfully completed a rapid production ramp-up for 10th-generation BiCS FLASH™ products at the Kitakami Plant, leading to sample shipments in July 2026.



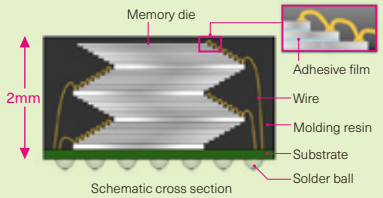
Advancement of Assembly Process Technologies

Kioxia Group has enhanced production efficiency by outsourcing the majority of the semiconductor and SSD assembly processes to contract manufacturers overseas, and is working to strengthen its supply chain. At the Yokkaichi Plant, we are also focusing on developing and enhancing assembly technologies for advanced products.

TOPICS

Advanced Assembly Technology for Stacking 32 Memory Dies in a 2 mm-High Package

Kioxia Corporation has successfully developed large-capacity 8-terabyte flash memory by stacking thirty-two 2-terabit memory dies into a package less than 2 mm in height. Kioxia has optimized advanced technologies across multiple assembly processes to support higher-capacity flash memory. These include wafer thinning technology for grinding wafers from a thickness of 0.8 mm down to 30–40 µm, molding resin technology that enables precise control and formation of ultra-thin sections and narrow spaces of less than 100 µm, and wire bonding technology for electrically connecting stacked dies to a substrate.



Flash Memory Production Scale

Yokkaichi Plant (Yokkaichi City, Mie Prefecture)

Since its establishment in 1992, the Yokkaichi Plant has developed as a state-of-the-art manufacturing site for memory products. There are six Fabs and an assembly facility on the expansive 694,000 m² site. Fab7 started operation in October 2022. Production efficiency has been increased through the use of a production system that integrates the six Fabs, as well as AI and big data. Moreover, through close coordination with the onsite research and technology development departments, there is a smooth transition from new product development to mass production.



Message **Kazuhiro Shimizu**, General Manager of Yokkaichi Plant, Kioxia Corporation



The Yokkaichi Plant engages in both development and mass production as one of the world's largest flash memory plants. Leveraging AI and big data to achieve high production efficiency, we deliver both production scale and quality as a smart factory. As a corporate citizen rooted in a region with an excellent industrial foundation, we also engage in social contributions and environmental conservation activities and contribute to the sustainable development of society.

Kitakami Plant (Kitakami City, Iwate Prefecture)

The Kitakami Plant was established as a mass production site to meet growing demand for flash memory. Fab1 started operation in 2020 and Fab2 started operation in September 2025. Production capacity of the plant will be continuously expanded in line with growth in demand. Specialized in mass production, the plant has increased yields and productivity. Through close digital coordination with the Yokkaichi Plant using digital technologies and by building on its expertise, the Kitakami Plant contributes to highly efficient production of high-quality products.

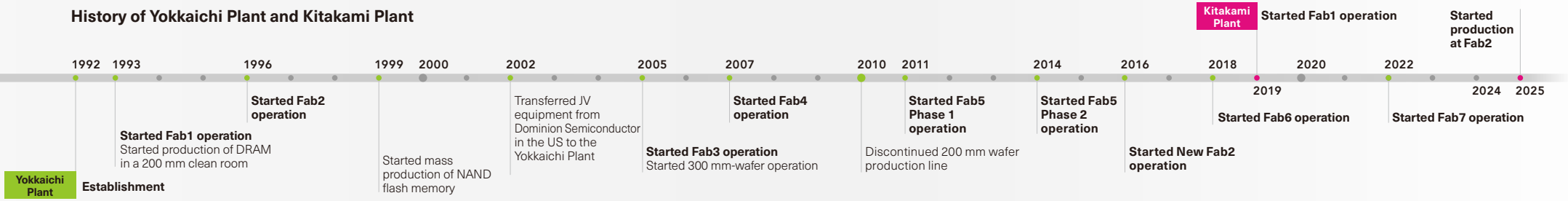


Message **Koichiro Shibayama**, President and Chief Executive Officer, Kioxia Iwate Corporation



Aiming to contribute to further increases in Kioxia Group's production capacity, the Kitakami Plant is expanding its production scale in line with market growth. In July 2026, we commenced production of 10th-generation BiCS FLASH™ products on a newly launched manufacturing line at Fab2, marking another milestone. As we continue to expand and develop, we will contribute to the local economy and community as a company trusted by both our customers and local stakeholders.

History of Yokkaichi Plant and Kitakami Plant



Flash Memory Production Scale

Challenges and Measures for Sustainable Production

Preparedness for Business Continuity

For Kioxia Group, which supplies memory products to society, its manufacturing sites are crucial to business continuity. Under our BCM framework (▶ P. 56), we implement disaster-prevention and emergency response measures and develop systems for rapid recovery at our two manufacturing sites in Japan, the Yokkaichi Plant and the Kitakami Plant.

For example, as an earthquake countermeasure we have adopted seismic isolation structures that absorb building vibrations.* Furthermore, we have installed equipment that protects key facilities from power outages and momentary voltage drops. In addition, we take into account natural disasters, as well as geopolitical and other risks, and are working to strengthen supply chain resilience through measures such as supplier diversification, and standardization and reduction of components.

* At the Yokkaichi Plant, all Fabs from Fab4 onward (beginning with its completion in September 2007) are seismically isolated. At the Kitakami Plant, both Fab1 and Fab2 are seismically isolated.



Plant seismic isolation device

Initiatives for the Environment

Kioxia Group promotes sustainable business activities that take environmental impact into account, including initiatives to address climate change, reduce waste, manage chemical substances and control wastewater quality.

Climate Change Countermeasures

Kioxia Group will contribute to the realization of a decarbonized society by reducing greenhouse gas emissions and promoting the use of renewable energy at its manufacturing sites. We have set a target of achieving net-zero greenhouse gas emissions[1] from our business activities by FY2050 (net zero means reducing net emissions to zero by subtracting greenhouse gas removals from emissions), and we will expand our use of renewable energy through measures such as installing solar panels. Furthermore, in the wafer manufacturing process we have installed abatement equipment on all applicable facilities to break down PFCs[2] and other gases with high global warming potential before they are discharged.



Solar power generation system installed at the New Fab2 of Yokkaichi Plant

1 Direct emissions from business sites (Scope 1) and indirect emissions resulting from the use of purchased energy (Scope 2)
2 Gases with high global warming potential used in semiconductor manufacturing. The substances used by Kioxia Group are CF_4, C_4F_8, CHF_3, SF_6, NF_3, CH_2F_2, CH_3F, CH_4, N_2O, and CO_2.

Effective Use of Water Resources

We continually strive to reduce water withdrawal and wastewater volumes and encourage water recycling at our manufacturing sites. To support business continuity and conserve water resources, we have set voluntary standards that are stricter than legal requirements and are working to reduce environmental impact and recycle water. In addition, we have assessed water-related risks at our manufacturing sites in Japan and overseas through 2040 using specialized tools provided by the World Resources Institute and the Worldwide Fund for Nature, and are working to understand their potential impact on our business activities. Based on investigations into water supply-demand risks, water-related disaster risks, and watershed vulnerability to pollution at our manufacturing sites through 2040, we identified no water risks that could have a material financial or strategic impact on our business.

Resource Recycling

Kioxia Group considers the effective use of resources and waste reduction in its manufacturing processes to be important issues, and we are working to achieve both efficient production and reduced environmental impact. For example, we are taking steps to improve resource circulation by rigorous sorting and reprocessing the daily waste we produce, with a particular focus on maintaining a high recycling rate of 90% or more for plastic waste. We are also promoting initiatives to reuse packaging materials used to transport wafers, products, and semi-finished products and to reduce the amount of resources used, helping to lower our CO_2 emissions.

Natural Capital and Biodiversity

Kioxia Group promotes biodiversity conservation activities, recognizing that biodiversity is a foundation for a sustainable society and an extremely important form of capital in addressing global issues such as climate change and resource constraints. In addition, we analyze risks and opportunities, conduct scenario assessments, consider metrics and targets, and perform monitoring based on the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations. Through these efforts we are exploring ways to build a sustainable business foundation that enables us to coexist with nature. From FY2024 through FY2025, we conducted initiatives in line with the LEAP approach,* focusing on the direct operations of Kioxia Corporation. In the “Locate” phase, we identified ecologically sensitive areas, and in the “Evaluate” phase, we identified and evaluated dependencies and impacts on natural capital. We are currently in the “Assess” phase, identifying the risks and opportunities these dependencies and impacts pose for our business.

* An integrated approach for assessing nature-related issues, such as interfaces with nature, dependencies and impacts on nature, and nature-related risks and opportunities

Environment
Sustainability Management ▶ P. 57

Technology (Intellectual Capital)

Supporting an AI Society with Advanced Memory Technology



Key Points

R&D expenses

141.1 billion yen

(FY2025)

Number of registered patents

Approx. 15,000

(As of December 2025, Kioxia Corporation)

Created a number of world firsts, such as the invention of NAND flash memory

Promoting advanced and diverse research and technology development as a leader in memory technologies



Hideshi Miyajima

Managing Executive Officer
Chief Technology Officer
Kioxia Corporation

Innovating Flash Memory Technologies that Power Value Creation in the AI Era

AI is evolving at an unprecedented pace, transforming the way industries and society operate. Flash memory and SSD storage are no longer merely media for storing data; they have become essential technology foundations that directly influence the performance and efficiency of AI systems as a whole. Through innovation in flash memory technologies, Kioxia Group is helping to drive this transformation and create new value.

Kioxia Group has long anticipated the needs of our changing times and continued to pursue technological innovation—first by inventing NAND flash memory, and later by becoming the first company in the world to propose the basic structure of three-dimensional flash memory, BiCS FLASH™. Today, in addition to further increasing the capacity, performance, and power efficiency of BiCS FLASH™, we are focusing on the development of next-generation memory, storage systems, software, and high-density packaging technologies designed for the future AI market.

At the same time, semiconductor technology is becoming increasingly challenging and complex to develop. For Kioxia Group to continue demonstrating technology leadership, it is essential that we not only invest in research and development, but also strengthen the core foundations of our innovation—our human resources, intellectual property, and partnerships. Through close collaboration between our research laboratories, development center, and business divisions, we are working to improve development efficiency by leveraging AI and digital transformation. We are also building a robust development foundation that continuously generates innovation by incorporating new insights through co-creation with external partners.

The true source of Kioxia Group's technological competitiveness is our people. To cultivate talent capable of taking on challenges with fresh ideas and creating value in a rapidly changing era, we are strengthening our technical education initiatives and promoting personal exchange. As one example, we are planning to establish "Kioxia College" (tentative name) as an internal initiative to further develop our R&D professionals. By creating an environment where people with diverse expertise can inspire one another and grow together, we aim to become a world-class technology organization.

Kioxia Group will continue to expand the possibilities of flash memory as a technology leader that creates new standards through innovation. We will keep challenging ourselves to create new value that supports the advancement of an AI-driven society.

Technology

Strengths and Policy in Research and Technology Development

Research and Technology Development Policy: Steadfastly Maintain Technology Leadership Centered on Advanced Memory Technology Innovation

Kioxia Group has achieved a number of world firsts, such as the invention of NAND flash memory, and has contributed to innovation in society. We will focus on investment in R&D, as well as on talent recruitment and development, and partnerships, and steadfastly maintain our technology leadership by leveraging the memory technologies we have cultivated to address increasingly sophisticated and diverse market needs driven by advances in AI.

(1) Continuous Strategic Investment in R&D

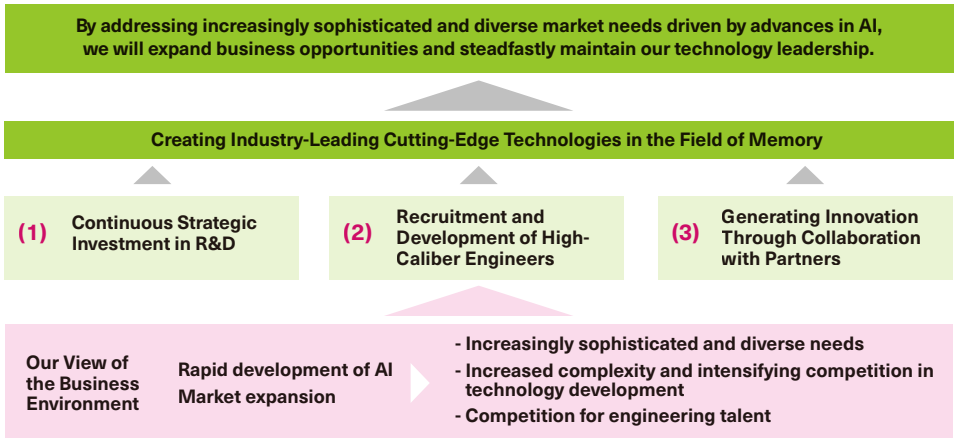
We will continue to invest in research and technology development focused on growth areas, including the further evolution of BiCS FLASH™ and the development of next-generation memory devices and storage systems.

(2) Recruitment and Development of High-Caliber Engineers

We will recruit and develop highly skilled engineering professionals to advance cutting-edge technology development. We will create systems and frameworks that enable them to fully leverage their capabilities, enabling us to respond to increasingly sophisticated and diverse market needs.

(3) Generating Innovation Through Collaboration with Partners

Through open innovation in collaboration with customers and R&D partners in various fields, we will generate new ideas and innovations and deliver value to society together.

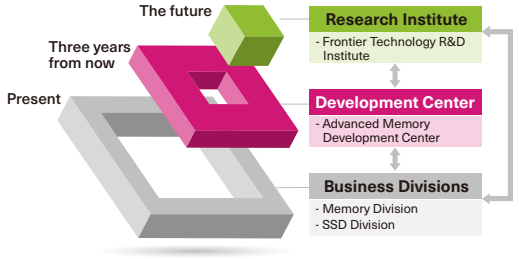


Research and Technology Development Structure for Leading Memory Technology

R&D Structure for Turning Research into Products

Kioxia Group has established a research and technology development structure that supports industry-leading memory technology. We create new products through collaboration within our research and technology development structure. This structure consists of a research institute, which studies future technologies from a long-term perspective, development centers, which develop technologies to be applied to products, and business divisions, which develop commercial products.

Kioxia Group's Research and Technology Development Structure



Frontier Technology R&D Institute	Promotes research and development of technologies to support AI and its applications, high-capacity and high-speed memory system technologies utilizing new principles and new materials, and new process technologies for cost-effective semiconductor memory manufacturing
Advanced Memory Development Center	Serves as a bridge between research and development of BiCS FLASH™ 3D flash memory and mass production
Memory Division and SSD Division	Plan, develop, and market memory and SSD products that address increasingly sophisticated and diverse needs

Research and Technology Development Sites for Advanced Research

Kioxia Corporation conducts research and technology development primarily at the Yokohama Technology Campus (Yokohama City, Kanagawa Prefecture) and the Memory R&D Center at the Yokkaichi Plant (Yokkaichi City, Mie Prefecture). Our overseas research and technology development sites are located in countries/regions where many advanced IT companies are based, providing us with rapid access to cutting-edge technologies and enabling us to respond flexibly to markets and customer needs.

Using AI in R&D

The Group is using AI for applications including manufacturing data analysis in product development, process condition optimization, fault detection and predictive maintenance at plants, image recognition-based defect inspection, and yield analysis and identification of defect causes.

Smart Factories ▶ P. 33

Technology

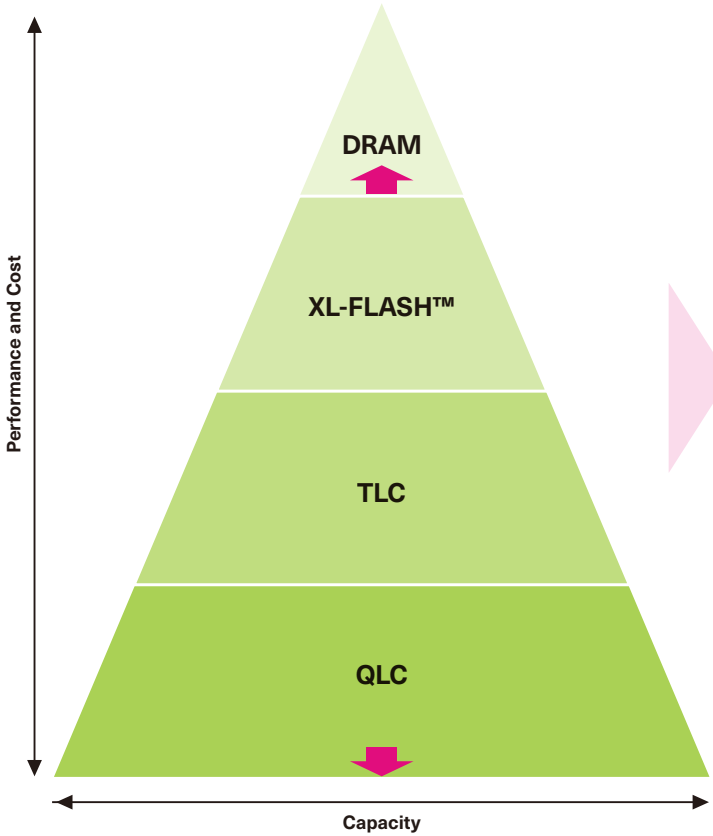
Recent Research and Technology Development

Kioxia Group is committed to the research and technology development of semiconductor memory, which is indispensable for a rapidly evolving digital society, including the advancement of AI. We are advancing development across the memory hierarchy in line with the requirements of AI and data centers, including BiCS FLASH™ 3D flash memory. We presented the results of our research at major academic conferences in the semiconductor field, including the 2025 International Electron Devices Meeting (IEDM), the 2025 Symposium on VLSI Technology and Circuits, and the 2026 International Solid-State Circuits Conference (ISSCC).

The Group is also conducting a wide range of research and technology development aimed at generating new value in memory technology through creative ideas.

Technology Topics

Aligning R&D with the Evolution of the Memory Hierarchy Driven by Advances in AI



New Memory Technologies
Including OCTRAM

New Memory Devices: Accelerating Development to Improve OCTRAM Device Characteristics

We have developed highly stackable oxide-semiconductor channel transistors as a foundational technology for the practical implementation of high-density, low-power 3D DRAM. This technology has the potential to achieve lower power consumption in a wide range of applications, including AI servers and IoT products.

Device Development
BiCS FLASH™ Gen. 10/Gen. 11

Development of BiCS FLASH™ Devices

We are developing next-generation devices for our current core products to address the AI inference market, combining increased layer stacking with horizontal scaling to pursue greater capacity and higher density.

SSD Development
New areas including Super High IOPS

Development of SSDs for AI Systems

We are developing SSDs for AI systems, led by the KIOXIA GP Series Super High IOPS SSD, which helps achieve low latency and high IOPS (read/write operations) in AI inference systems.

Technology

Intellectual Property Initiatives

To enable Kioxia Group to continuously launch highly competitive flash memory and SSD products and achieve stable business growth, the Group works to appropriately protect and effectively utilize its intellectual property (“IP”). Specifically, we focus on strengthening our IP portfolio, managing confidential information, and enhancing our IP intelligence capabilities. Since many of the Group’s customers and competitors are located outside Japan, we also place importance on filing patent applications overseas.

Structure for Promoting Intellectual Property Initiatives

The Group has established a system for creating and utilizing strong IP through close communication among the research and development, corporate planning, legal, sales departments, and the intellectual property department.

Patent Activities

As of December 2025, Kioxia Corporation holds approximately 15,000 registered patents worldwide. In FY2025, approximately 390 patent applications were published in Japan, while in the United States approximately 630 were published and approximately 540 were registered.

TOPICS **Kioxia Selected in Clarivate Top 100 Global Innovators 2026**

Kioxia Corporation has been recognized as one of the “Clarivate Top 100 Global Innovators 2026.” The award is presented to the world’s most innovative companies and organizations by Clarivate Plc. (headquartered in the United Kingdom), based on Clarivate’s proprietary analysis of intellectual property and patent trends. This is the fifth consecutive year that the Company has received the award. The award evaluates companies based on multiple indicators, including not only volume but also influence, success rate, geographical investment, and rarity. Kioxia Corporation scored particularly highly for success rate and geographical investment.

Initiatives for Generating Innovation

Kioxia Group aims to create an environment in which new ideas and technologies are continuously generated, thereby laying the groundwork for future businesses. We are pursuing this through two key approaches: building structures and fostering a culture that support innovation, and proactively collaborating with a wide range of partners in industry, government, and academia.

Academic Collaboration

Kioxia Group collaborates with universities, technology organizations, and research institutes in Japan and overseas on a diverse range of research themes, incorporating ideas from outside the Group to further enhance its research and technology development activities.

TOPICS **BuzzCam: Contributing to Advances in Ecological Research through Storage Technology in Collaboration with the MIT Media Lab**

Through collaborative research with the MIT Media Lab, Kioxia Corporation contributed to the development of a large-scale dataset of bumblebee buzzes for ecological monitoring. Compiled from acoustic recordings collected in Patagonia using BuzzCam devices, the dataset is described in an article published in *Scientific Data*, a Nature Portfolio journal.

BuzzCam is an outdoor acoustic monitoring device equipped with microphones, environmental sensors, a battery, a solar panel, and KIOXIA micro SD memory cards for storage. Designed for long-term operation in harsh field conditions, BuzzCam enables passive collection of acoustic and environmental data while minimizing disturbance to natural habitats. This publicly available dataset can support a wide range of research applications, including conservation of endangered native bumblebee species, assessment of the ecological impacts of invasive species, and development of machine learning models for ecological monitoring.

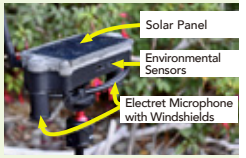


Photo Credit: Marie Kuronaga
Copyright: © MIT Media Lab

About the BuzzCam collaborative research project

Fostering the Next Generation of Semiconductor Specialists and Engineers

Kioxia Group is committed to promoting a range of initiatives for the sustainable development of the semiconductor and flash memory industry.

In 2024, Kioxia Corporation entered a cross- appointment agreement with Kyoto Institute of Technology. Together they aim to promote R&D related to the design of large-scale integrated circuits (LSIs) that operate at cryogenic temperatures and to develop talent in the semiconductor industry. Furthermore, to contribute to the advancement of science and engineering, we conduct an annual research grant program for researchers affiliated with academic and research institutions in Japan. In FY2026, we invited proposals under the priority theme of “Memory × AI Technology” and are providing funding for selected original and compelling research themes.

Partnerships (Social and Relationship Capital)

Co-Creation with Customers, R&D Partners, and Suppliers



Kioxia Group builds strong relationships with customers, R&D partners, and suppliers. We aim to further strengthen these partnerships, develop products and services that anticipate the needs of society, ensure a stable supply of high-quality products, and continuously deliver value to society.

Customers: Leading global companies in the data center, smartphone, and PC fields
We have established global sales, technical support, and supply chain networks, and co-create value to society together with customers all over the world.

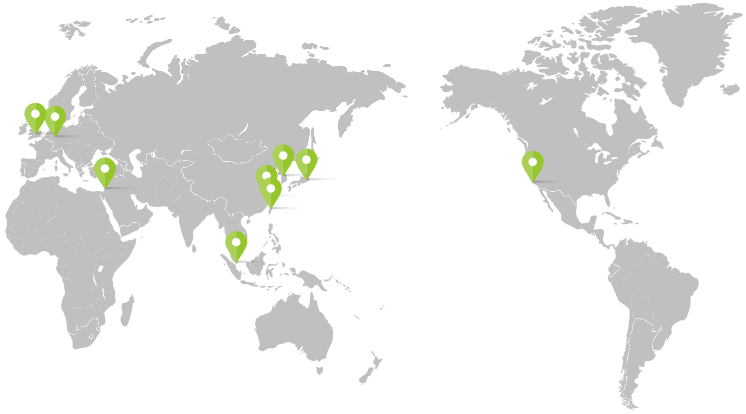
R&D Partners: Technology organizations, universities, research institutes, and other companies in Japan and overseas
We incorporate a wide range of cutting-edge knowledge and ideas to foster innovation, with the aim of further evolving our products and technologies.

Suppliers: Equipment manufacturers, materials manufacturers, OSATs,* and others
We work with suppliers to build resilient supply chains that ensure a stable supply of high-quality products, while strengthening our competitiveness by creating new manufacturing technologies.

* Outsourced Semiconductor Assembly and Test

Kioxia Group's Global Locations

Kioxia Group operates globally, with sites in nine countries/regions. We have established strong relationships with leading companies in the data center, smartphone, and PC fields through our sales and support centers in the United States, Europe, and Asia.



Key Points

Business operations in 9 countries/regions
Timely response to global market needs

Strong Partnerships with
Customers, R&D Partners, and Suppliers

Partnerships

Strong Customer Relationships and Collaboration

Through its collaboration with leading global companies, such as hyperscalers, Kioxia Group will realize products and services that anticipate the needs of the growing AI market.

Examples of Co-Creation with Partners

Building a Flash-Based Platform for High-Capacity, High-Performance, and Power-Efficient Data Centers for AI Applications

Kioxia Corporation and Dell Technologies built a system incorporating 40 KIOXIA LC9 Series 245 TB enterprise SSDs, enabling a 2U server configuration capable of scaling up to 9.8 petabytes (PB) for AI applications. The two companies have a long history of developing scalable infrastructure for data-driven applications. This latest milestone underscores a shared commitment to advancing high-density systems that enhance performance, reduce energy consumption, and maximize data center efficiency.

Deepening Engagement Through Dialogue with Customers: Communication Activities at Trade Fairs

Kioxia Group participates in various trade fairs and other events to help partners gain a better understanding of its latest products, services, and technological capabilities, and to deepen dialogue with them.

At FMS: the Future of Memory and Storage 2025, the world's largest event for flash memory and storage, we showcased the Group's AI solutions through a keynote address and products and technology demonstrations under the theme "Scale AI Without Limits." In addition, the high-capacity KIOXIA LC9 Series SSD for generative AI won the Best of Show Award in the Most Innovative Technology category.

We also exhibited at major industry events hosted by leading companies in the AI and data center fields, including NVIDIA GTC, COMPUTEX, and Interop Tokyo, to highlight the critical role played by the Group's high-performance storage solutions.



A live technology demonstration of KIOXIA AiSAQ™ at NVIDIA GTC 2025



The KIOXIA LC9 series enterprise SSD received the Best of Show Award at FMS 2025.

TOPICS **KIOXIA Innovation Lab Bridging Customers with Research**

KIOXIA Innovation Lab provides customers with an environment for testing and evaluating the company's new products, technologies, and software. We aim to enhance value for customers and the market by quickly and effectively incorporating customer feedback into new products and technologies.

Partnerships

Generating Innovation with R&D Partners

We incorporate ideas from outside the Kioxia Group, from academic institutions and partners across industries, generating innovation through close collaboration to deliver new value to society.

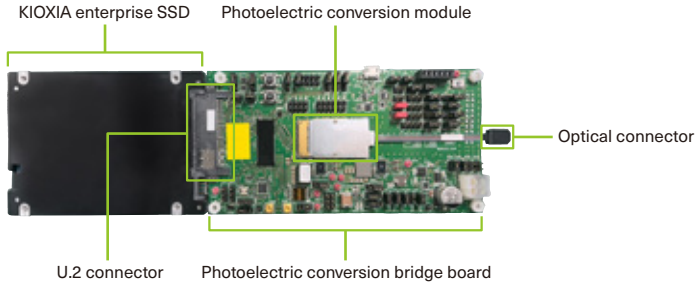
Joint Development: Next-Generation Green Data Center Technology Development (Broadband Optical SSDs)

Kioxia Corporation is working together with Fujitsu Limited, 1FINITY Inc., AIO Core Co., Ltd., Furukawa FITEL Optical Components Co., Ltd., Kyocera Corporation, and NEC Corporation on the "Next-Generation Green Data Center Technology Development Project" (JPNP21029). This project, subsidized by the New Energy and Industrial Technology Development Organization (NEDO), is part of the "Green Innovation Fund Project: Construction of Next-Generation Digital Infrastructure." Each company is contributing to the development of technologies for improving energy efficiency, increasing capacity, and reducing latency in data centers, including photoelectric fusion technologies that enable more efficient data transfer. By applying these technologies, the project aims to achieve energy savings of at least 35% compared with data centers at the start of technology development.

Kioxia Corporation is responsible for developing broadband optical SSDs that use photoelectric fusion technology, and has confirmed the operation of a PCIe® 5.0-compatible prototype.

To support the realization of next-generation green data centers, we will continue developing technologies to improve compatibility with advanced applications that require high-speed processing of large amounts of data, such as generative AI. We also plan to apply these technologies in proof-of-concept (PoC) testing toward the practical implementation of data center systems that use photoelectric fusion technology.

Note: PCIe is a registered trademark of PCI-SIG.



Academic Collaboration ▶ P. 39

Building Robust Supply Chains Through Co-Creation with Suppliers

Kioxia Group's products depend on supply chains involving suppliers in a wide range of fields, including semiconductor manufacturing equipment manufacturers, materials manufacturers, and OSATs. Cooperation with suppliers is essential to improving product quality, ensuring a stable supply of products, and minimizing the impact of geopolitical risks and natural disasters on supply chains. In addition to the Group's own initiatives, such as diversifying procurement sources and standardizing components, we actively work to create robust supply chains by promoting mutual understanding and building trust with suppliers.

Deepening Dialogue with Suppliers through Partners Day

In November 2025, Kioxia Corporation held Partners Day, inviting over 100 suppliers from Japan and overseas. The company provided detailed explanations of market trends and Kioxia Group's business strategies and policies, and presented awards to outstanding suppliers. We will continue to enhance supply chain resilience by fostering mutual understanding and enhancing engagement with suppliers through dialogue.



Business policy presentation at Partners Day



Product display booth

Human Resources (Human Capital)

Professionals Supporting the Realization of Our Mission



Key Points

Number of Employees
15,218
(As of March 31, 2026, Kioxia Group)

New graduate recruits
476
(Joining Kioxia Corporation and Group companies in Japan on April 1, 2026)

Ratio of mid-career recruits
63.6%
(FY2025, Kioxia Corporation, share of total recruits)

Number of female managers
111
(As of March 31, 2026, Kioxia Corporation; calculated based on Japan's Act on the Promotion of Women's Participation and Advancement in the Workplace)

People with diverse experience and skills contribute across a wide range of fields.

We will further strengthen the human capital we have cultivated to support Kioxia Group's sustainable development and realize its mission.



Kyota Okishiro
Managing Executive Officer
General Manager, Human Resources and Administration Division
Kioxia Holdings Corporation

Our Diverse Talent and Human Capital—the Key to Sustainable Growth

Guided by our mission of "uplifting the world with 'memory,'" Kioxia Group aims to continuously create new value for society through our memory technology. The efforts of every single employee are essential if we are to accomplish this mission. Accordingly, we see our human resources as the foundation for sustainable growth and the source of our future value creation.

The rapid advancement of AI is drastically transforming our business environment. Expectations of our Group as a provider of flash memory and SSDs indispensable to this AI-driven world are rising, and the competition to acquire technical talent is intensifying. To turn these challenges into opportunities for sustainable growth, we must ensure our organization embodies our mission and vision. This means cultivating an environment where diverse talent with whom these ideals resonate can best showcase their respective strengths.

Securing and developing the human resources who will support our future growth is therefore one of our key management priorities. We are striving to convey the appeal of the semiconductor industry and Kioxia to a wide range of generations, including young people. Simultaneously, we are boosting our hiring of new graduates and experienced professionals, welcoming individuals from diverse backgrounds. In addition, we are developing our management personnel and establishing opportunities for diverse talent to take on new challenges and thrive.

At the same time, we are increasingly focused on creating an environment where every employee can perform at their best without undue stress. To this end, we are making sure our employees stay in good physical and mental health, seeing employee well-being as a core business driver. We are also improving our workplace environments, identifying and resolving issues through employee surveys, and fostering a corporate culture where employees respect one another and proactively embrace challenges.

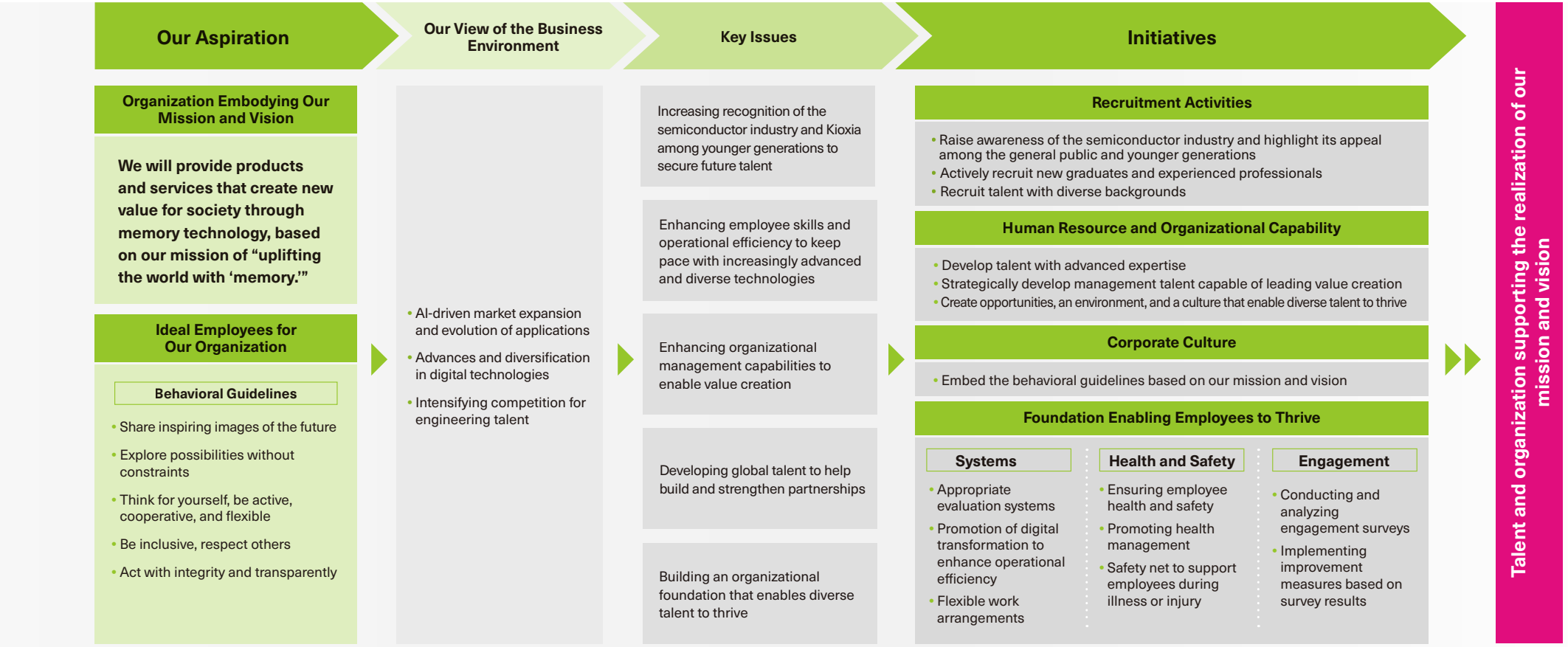
We believe that maximizing the potential of our human resources directly enhances our corporate value. Kioxia Group accordingly aims to be a company where every employee can grow professionally and take pride in their work. By leveraging the wisdom and experience of our diverse talent to enhance human capital, we will achieve sustainable growth and continue to be a company that is essential to society.

Human Resources

Kioxia Group's Approach to Human Capital Management

At Kioxia Group, a wide range of people contribute across all processes, including R&D, production, sales, and administration. As the market expands and needs become increasingly sophisticated and diverse amid the rapid development and adoption of AI, the Group is working to strengthen its human capital by securing and developing talent and bolstering its organization. Under its Human Capital Management Policy, Kioxia Group identifies key issues and translates them into specific initiatives, while promoting talent development and building an organizational foundation to support technological innovation, business growth, and the realization of its mission, "uplifting the world with 'memory.'"

Human Capital Management Map



Human Resources

Recruitment Activities

To respond swiftly to growing market needs and increasingly advanced and diversified technologies, Kioxia Group regards the recruitment and development of people with diverse backgrounds as a key priority. As such, it actively recruits new graduates and mid-career talent, including through referral and alumni recruitment.

Kioxia Corporation has established a Training and Development Committee to further enhance the development and effective utilization of its personnel. Based on the business plan, the committee reviews the results of in-house training programs each fiscal year, deliberates on measures for improvement and policies for the following fiscal year, and provides feedback for training activities. In FY2025, the committee deliberated on enhancing management training and rolling out company-wide digital transformation training.

Numbers of New Graduate and Mid-Career Recruits (Kioxia Corporation)

	FY2023	FY2024	FY2025
New graduate recruits[1]	511	276	119
Mid-career recruits[2]	25	63	208

1 Number of new graduates recruited each fiscal year starting on April 1 (high school, technical college, university, and graduate school)
2 Number of mid-career recruits each fiscal year

Organizational and Talent Development

Technical Training

Kioxia Group is focusing on the development of engineers capable of meeting increasingly advanced technical needs and leading the industry in the years ahead. For new employees of Kioxia Group in Japan,* we provide basic training to strengthen their foundational skills in the semiconductor field, and from their second year onward, we offer more advanced specialized technical courses. At each workplace, we have also established a framework for employees to acquire practical skills through on-the-job training. In addition, we provide an environment that enables engineers to proactively develop their own careers. We foster generalists who bridge business and technology, as well as professionals who integrate different technologies to create new value.

*Kioxia Corporation and Group companies in Japan

Passing Technical Skills on to Future Generations

The Group has Senior Fellows—professionals who are active in wide-ranging fields including architecture, memory design, and memory development. They are committed to passing on advanced specialist knowledge and expertise in research and technology development and product development to the next generation, as well as contributing to the development of semiconductor technologies.

Talent Development

Diversity Promotion

Kioxia Group believes that enabling diverse talent to thrive will encourage new ideas, greater diversity in approaches to issues, and innovation, ultimately leading to corporate growth and the creation of new value for society. The Group is committed to creating opportunities, an environment, and a culture that enable diverse talent to fully express their individuality and realize their potential. In particular, we regard women's participation in management as a key priority.

Kioxia Corporation set a target in FY2021 of doubling the number of female managers compared with FY2019, and achieved this target by the end of FY2025. In March 2026, it set the following higher targets and is taking steps to achieve them.

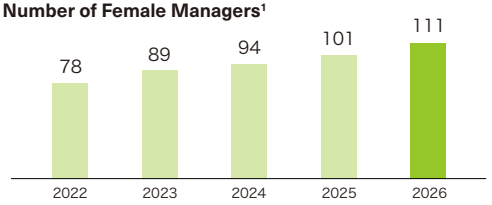
- **Ratio of female managers: 7% (by FY2030)**
- **Ratio of female new graduate recruits: At least 45% for administrative positions and at least 15% for technical positions**

These targets are also stipulated in our *General Employers Action Plan under Japan's Act on the Promotion of Women's Participation and Advancement in the Workplace.*

Diversity Promotion

Achievements in the Number of Female Managers and Recruitment of Female New Graduates at Kioxia Corporation

Number of Female Managers[1]



1 Female managers (section manager level and above) at Kioxia Corporation as of March 31 each year, including those seconded to Kioxia Holdings Corporation. From 2025, the calculation is based on the *Act on the Promotion of Women's Participation and Advancement in the Workplace*. Personnel seconded to other Kioxia companies are included in the calculation, while those seconded to companies outside Kioxia, as well as secondees from other companies, are excluded.

Ratio of Female New Graduate Recruits[2]

	Administrative positions	Technical positions
FY2022	53.3%	13.2%
FY2023	37.5%	8.7%
FY2024	30.4%	9.7%
FY2025	71.4%	14.3%
FY2026	59.3%	7.2%

2 Annual hiring records for regular employees with undergraduate or postgraduate degrees at Kioxia Corporation. Kioxia Holdings Corporation does not hire new graduates.

Developing Future Managers

Kioxia Group in Japan provides training at every level, from new recruits to management, to enhance the competitiveness of the overall Group. In training and development based on levels of responsibility (level-specific education), we provide training for leaders and managers to acquire the knowledge and skills needed for their roles, as well as practical education programs to strengthen their management capabilities. For managers in particular, we provide ongoing training to help them demonstrate leadership within the organization and improve performance.

Human Resources

Corporate Culture

Embedding the Mission, Vision, and Behavioral Guidelines

Kioxia Group regularly provides level-specific education and e-learning programs designed to deepen employees' understanding of the mission and vision. We have also established our Behavioral Guidelines to express the values that each employee should embrace based on the mission and vision, and are working to foster a corporate culture around them.

At Kioxia Group in Japan, various initiatives are underway to share senior management's perspectives on the mission and vision with employees. These initiatives include management policy briefings led by senior management and the publication of interview articles on the internal communications portal site.

Moreover, Kioxia Corporation has incorporated specific initiatives aligned with the Behavioral Guidelines into employees' target management and performance evaluations. It aims to connect each employee's work with these values so that the organization as a whole can work toward the mission with a shared sense of purpose and continue to grow.

Foundation Enabling Employees to Thrive

Promoting Work-Life Balance

The Group is working to create systems and foster a corporate culture that together enable each employee to work in their own way while achieving both high productivity and work-life balance.

For example, Kioxia Corporation aims to maintain a childcare leave utilization rate of 100% among female employees and achieve a rate of 85% or higher among eligible male employees. To this end, it has established systems such as hourly-unit annual leave and nursing leave to support employees in balancing their careers with childcare. It also works to increase awareness in the workplace, including through roundtable discussions for employees who have taken childcare leave. In FY2025, the childcare leave utilization rate was 100% among female employees. Among eligible male employees, the rate was 69.8% (Number of male employees who took childcare leave, etc. divided by the number of male regular employees whose spouse gave birth) and has been increasing year by year.



Roundtable discussion among employees who have taken childcare leave at Yokkaichi Plant

Health and Safety

The Group recognizes the vitality and mental and physical well-being of each employee are an important foundation supporting its business activities. Accordingly, we are working to create a safe and comfortable working environment for all employees and others involved in our business activities. We have acquired certification for occupational health and safety management systems under ISO 45001:2018, mainly at our manufacturing and R&D sites. Based on these systems, we continuously conduct risk assessments, confirm compliance with relevant laws and regulations, and increase the visibility of health and safety management. In March 2026, Kioxia Holdings Corporation and Kioxia Corporation were recognized for the third consecutive year as Outstanding Organizations of KENKO Investment for Health (Large Enterprise Category) by the Ministry of Economy, Trade and Industry and the Japan Health Conference.

Health and Safety

Employee Engagement

Kioxia Group regularly conducts employee engagement surveys, identifies issues, and implements measures to address them.

In FY2025, we conducted an anonymous worldwide survey of about 14,500 Kioxia Group employees, asking about the Group's strong points and areas for improvement, as well as their levels of satisfaction with their company, their work, their supervisors, and their workplaces. We received responses from 92% of those targeted. Analysis of the results identified the issue of communicating the Company's vision and the rationale behind management decisions to employees in a more understandable manner as one to be addressed. In response, members of senior management regularly visit business sites to engage in direct dialogue with employees.

Going forward, we will enhance corporate value by continuing to strengthen employee engagement through a cycle of surveys, analysis, and measures.

Diversity Promotion
Health and Safety



Dialogue between senior management and employees