

# **Notice of Convocation of the 128th Annual General Meeting of Shareholders**

---

Please note that this is an unofficial English translation of the Japanese Notice of Convocation of the 128th Annual General Meeting of Shareholders, and is provided for your reference and convenience only, without any warranty as to its accuracy or otherwise. The original Japanese version of the Notice of Convocation is the sole official version.

## To Our Shareholders

Let me begin by expressing my appreciation to our shareholders for their ongoing support.

Fiscal year 2025, the final year of Phase 1 of our DIC Vision 2030 long-term management plan, was a defining moment for the DIC Group. Despite a volatile operating environment marked by U.S. tariff increases and heightened geopolitical risks, among other challenges, we worked as one to respond decisively and succeeded in improving our performance over the previous fiscal year. Thanks to a meticulous process of selectivity and concentration in the allocation of management resources, combined with business restructuring and cost efficiency measures, we have seen a steady upturn in profitability.

After two years of foundation building, we have positioned fiscal year 2026 as the year in which we will embark firmly on a new growth trajectory. In February 2026, we introduced Phase 2 of DIC Vision 2030 and published revised targets for fiscal year 2030—the final year of the plan—in line with our overarching goal of ensuring the consistent achievement of income growth over the medium to long term. In Phase 2, we will transition to a new Global Operating Model, reinforcing our ability to effectively execute business strategies and accelerating initiatives designed to enhance operating efficiency, with the aim of dramatically improving corporate value.

Although the outlook for the operating environment remains uncertain, we pledge to respond by promoting prompt decision making guided by clear strategies, strengthening our preparedness for addressing uncertainties and advancing businesses that help address social imperatives. Through these and other measures, we will strive to continue providing stable and appealing value to shareholders.

For fiscal year 2025, we are proposing a year-end cash dividend of 150.00 yen per share, as announced in August 2025. As a result, annual cash dividends for the period will amount to 200.00 yen per share.

In all our efforts, we look forward to the continued support and guidance of our shareholders.

## Takashi Ikeda

Representative Director



## Notice of Convocation

Securities Identification Code: 4631

March 10, 2026

(Electronic-format materials will be available from February 28, 2026)

To Our Shareholders,

(Registered Office) 35-58, Sakashita 3-chome, Itabashi-ku, Tokyo

(Corporate Headquarters) 7-20, Nihonbashi 3-chome, Chuo-ku, Tokyo

# DIC Corporation

Takashi Ikeda, Representative Director

### Notice of Convocation of the 128th Annual General Meeting of Shareholders

The 128th Annual General Meeting of Shareholders of DIC Corporation (the “Company”) will be held as described below. In convening the 128th Annual General Meeting of Shareholders, the Company has adopted measures for the electronic provision of the information that comprises the contents of the Reference Documents for the Exercise of Voting Rights (“electronic-format materials”). Please access and review these materials, which are available on the Company’s website at “Notice of Convocation of the 128th Annual General Meeting of Shareholders.”

<https://www.dic-global.com/en/ir/stocks/meeting.html>

In addition to the Company’s website, these electronic-format materials are available on the website of the Tokyo Stock Exchange (TSE). To access and review these materials, please input search criteria (the Company’s name or securities identification code), select “Basic Information” and then go to “Documents for public inspection/PR information.”

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

The Annual General Meeting of Shareholders will be streamed live on the internet. For details, please see “Livestream and Submission of Questions in Advance.”

If you choose not to attend the meeting, upon review of the Reference Documents for the General Meeting of Shareholders (pages 7-16), please exercise your voting rights in advance in writing (by mail) or via the internet in accordance with the Guidance Notes on the Exercise of Voting Rights (pages 5 and 6) by 5:15 p.m., Tuesday, March 24, 2026 (Japan time).

### Date and Time

10:00 a.m., Wednesday, March 25, 2026 (Japan time)

### Place

Marunouchi Building Hall

Marunouchi Building (Reception desk: 7th floor)

4-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo

(Please note that the venue this year is different from the one used in 2025.)

## **Agenda of the General Meeting**

### **Matters to be Reported:**

1. Business Report, Consolidated Financial Statements and Audit Reports of the Accounting Auditor and the Audit & Supervisory Board for the Consolidated Financial Statements for the 128th Fiscal Year (January 1, 2025–December 31, 2025)
2. Non-Consolidated Financial Statements for the 128th Fiscal Year (January 1, 2025–December 31, 2025)

### **Matters to be Resolved:**

Proposal 1. Appropriation of Surplus

Proposal 2. Election of 7 Directors

Proposal 3. Election of 1 Alternate Audit & Supervisory Board Member

## **Matters Decided upon Convocation of the General Meeting**

- (1) If you exercise your voting rights redundantly both by mail and via the internet or other electromagnetic means, the vote cast via the internet or other electromagnetic means shall be considered the valid vote.
- (2) If you exercise your voting rights on the same agenda more than once via the internet or other electromagnetic means, the latest vote cast shall be considered the valid vote.
- (3) If you have not indicated your approval or disapproval of any particular proposal on the Exercise of Voting Rights Form that you have submitted, you will be deemed to have voted to approve the proposal.

In the event of any revisions to the electronic-format materials, a notice to that effect will be posted on the websites shown on page 3 of this Notice of Convocation along with the relevant text before and after revision.

The Company delivers a printed copy of the electronic-format materials, excluding “Items Not Included in Documents Delivered” below, to shareholders who have requested delivery. Shareholders who have not requested document delivery but wish to do so from next year forward are asked to access the website below.

<https://www.tr.mufg.jp/daikou/denshi.html>

### **Items Not Included in Documents Delivered**

Pursuant to applicable laws and regulations and Article 15, Paragraph 2 of the Company’s Articles of Incorporation, the following items are posted on the websites shown on page 3 and so are not included in the printed copy of the materials delivered to shareholders who have requested a printed copy. All documents subject to audit, including those in the following items, have been audited by the Audit & Supervisory Board and the Accounting Auditor.

- ① Consolidated Statement of Changes in Net Assets
- ② Notes to the Consolidated Financial Statements
- ③ Non-Consolidated Statement of Changes in Net Assets
- ④ Notes to the Non-Consolidated Financial Statements



## Guidance Notes on the Exercise of Voting Rights

The right to vote at the General Meeting of Shareholders is an important shareholder entitlement. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights using one of the methods indicated below. Shareholders choosing not to attend the meeting in person are requested to exercise their voting rights in advance in writing (by mail) or via the internet.

Attend the General Meeting of Shareholders	Exercise Your Voting Rights in Writing (by Mail)	Exercise Your Voting Rights via the Internet
Please submit the enclosed Exercise of Voting Rights Form at the reception desk at the General Meeting of Shareholders on the day of the meeting.	Please indicate your approval or disapproval of the proposals on the enclosed Exercise of Voting Rights Form and return the Form to the Company by mail so that it arrives by the deadline indicated.	Please indicate your approval or disapproval of the proposals in accordance with the instructions on page 6 by the deadline indicated.
Date and time of the General Meeting of Shareholders	Deadline for arrival	Deadline for voting via the internet
Wednesday, March 25, 2026 10:00 a.m. (Japan time)	Tuesday, March 24, 2026 No later than 5:15 p.m. (Japan time)	Tuesday, March 24, 2026 No later than 5:15 p.m. (Japan time)

Institutional investors may use the electronic voting platform operated by ICJ, Inc.

## Instructions for Completing the Exercise of Voting Rights Form

Indicate your approval or disapproval of the proposals here.

### Proposals 1 and 3

- Approval >> Circle [賛]
- Disapproval >> Circle [否]

### Proposal 2

- Approval of all candidates >> Circle [賛]
- Disapproval of all candidates >> Circle [否]
- Approval of certain candidates only >> Circle [賛] and enter the number(s) of the candidate(s) whose election you oppose.

## Instructions for Exercising Your Voting Rights via the Internet

### Voting via Smartphone Using the QR Code

This allows you to login without entering the login ID and temporary password provided on the Exercise of Voting Rights Form.

1. Scan the QR Code printed on the right side of the enclosed Exercise of Voting Rights Form.
2. Indicate your approval or disapproval of the proposals in accordance with the directions given.

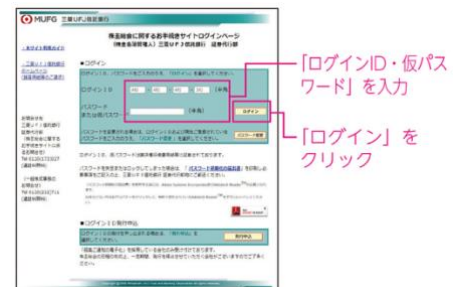


### Voting Using the Login ID and Temporary Password

Voting website: <https://evote.tr.mufg.jp/>

1. Access the voting website
2. Enter the login ID and temporary password provided on the right side of the enclosed Exercise of Voting Rights Form.
3. Indicate your approval or disapproval of the proposals in accordance with the directions given.

Note: Website voting form shown is a mockup.



#### Caution

- Please note that the voting website cannot be accessed between 2:30 a.m. and 4:30 a.m. daily (Japan time).
- Depending on your specific computer or smartphone settings and/or internet environment, you may not be able to use the voting website to exercise your voting rights.
- Any telecommunication charges or other costs incurred in accessing the voting website shall be borne by the individual shareholder.
- Please address any inquiries regarding the exercise of voting rights via the internet using a computer or smartphone to the help desk indicated below.

Inquiries regarding the exercise of voting rights via the internet

Stock Transfer Agency Department (Help Desk) Mitsubishi UFJ Trust and Banking Corporation

Telephone: 0120-173-027 (Toll-free within Japan)

Operating hours: 9:00 a.m.–9:00 p.m. (Japan time)

## Reference Documents for the General Meeting of Shareholders

<Company Proposals>

### **Proposal 1** Appropriation of Surplus

The Company has a basic policy regarding the appropriation of retained earnings that emphasizes ensuring stable management fundamentals and more satisfactory returns to shareholders. Any additional cash generated through increases in cash provided by operations or the reduction of assets is applied to the further enhancement of shareholder returns.

Owing to the smooth progress of efforts to shrink assets, the Company has made the decision to increase the year-end dividend by 100 yen per share, as announced on August 8, 2025, and proposes the year-end dividend as follows:

#### **1. Type of Dividend**

Cash

#### **2. Allocation of Dividend Property to Shareholders and Total Amount of Dividend**

150 yen per share of common stock (comprising an ordinary dividend of 70 yen and a special dividend of 80 yen)

Total amount of dividend: 14,243,616,750 yen

The Company previously paid out 50 yen per share as an interim dividend. Accordingly, the aggregate amount of the annual dividends for the fiscal year 2025 will be 200 yen per share.

#### **3. Effective Date of Dividend**

March 26, 2026








Note: For information on the proposed special dividend, please refer to the press release titled “Notice Regarding Revision of Year-End Dividend Forecast for Fiscal Year 2025 (Ordinary Dividend Increase and Special Dividend)” published on August 8, 2025.

<https://pdf.irpocket.com/C4631/bffO/jFOE/zA6v.pdf>

## **Proposal 2 Election of 7 Directors**

The term of office of all 9 incumbent Directors will expire at the conclusion of the General Meeting. Accordingly, the Company proposes the election of 7 Directors.

The candidates for Directors are as follows:

Candidate No.	Candidate Name			Current Positions and Responsibilities at the Company	Attendance at Board of Directors' Meetings
1		<b>Re-Nominated</b> Takashi Ikeda		Representative Director President Group CEO	14/14 (100%)
2		<b>Re-Nominated</b> Shuji Furuta		Representative Director Executive Vice President Assistant to President and Group CEO	14/14 (100%)
3		<b>Re-Nominated</b> Takeshi Asai		Director Senior Managing Executive Officer Group CFO Head of Finance and Accounting Unit	14/14 (100%)
4		<b>Re-Nominated</b> Masami Fujita	<b>Outside</b> <b>Independent</b>	Director	14/14 (100%)
5		<b>Re-Nominated</b> Shiro Saito	<b>Outside</b> <b>Independent</b>	Director	14/14 (100%)
6		<b>Re-Nominated</b> Donna Costa	<b>Outside</b> <b>Independent</b>	Director	14/14 (100%)
7		<b>Re-Nominated</b> Shie Lundberg (Name as it appears on Japanese family register: Shie Saito)	<b>Outside</b> <b>Independent</b>	Director	10/10 (100%)


**Re-Nominated** Re-Nominated Director Candidate


**Outside** Outside Director Candidate


**Independent** Independent Director Candidate


Notes: Figures for attendance at Board of Directors' meetings for Shie Lundberg reflect the number of meetings held subsequent to her assumption of office on March 27, 2025 until December 31, 2025.





	<b>1 Takashi Ikeda</b>		[DOB: May 7, 1965]
	Brief Personal History, Positions and Responsibilities		
	April 1990	Joined the Company	
	January 2019	General Manager, Functional Products Business Planning Dept.	
	January 2020	Executive Officer; General Manager, Composite Material Products Div.	
January 2021	Executive Officer; President, Functional Products Business Group; General Manager, Composite Material Products Div.		
January 2022	Managing Executive Officer; President, Functional Products Business Group; General Manager, Composite Material Products Div.		
January 2024	President and CEO		
March 2024	Representative Director; President and CEO		
January 2026-Present	Representative Director; President; Group CEO		
Number of the Company's Shares Held 15,723	Reasons for Being a Candidate for Director		
Attendance at Board of Directors' Meetings 14/14	Takashi Ikeda previously served in diverse areas, from technology to business strategy, and has held key positions in multiple business groups, including President of the Functional Products Business Group. He currently serves as President, which is the chief officer responsible for business execution. He has extensive experience, achievements and knowledge regarding the management of global businesses. Accordingly, he is once again a candidate for Director.		


	<b>2 Shuji Furuta</b>		[DOB: June 11, 1964]
	Brief Personal History, Positions and Responsibilities		
	April 1987 January 2016 January 2019 January 2020 March 2021 January 2022  January 2024  January 2025-Present	Joined the Company General Manager, Finance Dept. Executive Officer; Head of Finance and Accounting Unit Executive Officer; Head of Finance and Accounting Unit; CFO Director; Executive Officer; Head of Finance and Accounting Unit; CFO Director; Managing Executive Officer; Head of Finance and Accounting Unit; CFO Representative Director; Executive Vice President; Assistant to President and CEO; Head of Corporate Strategy Unit; In Charge of Kawamura Memorial DIC Museum of Art Representative Director; Executive Vice President; Assistant to President and CEO	
Number of the Company's Shares Held 14,657  Attendance at Board of Directors' Meetings 14/14	Reasons for Being a Candidate for Director Since joining the Company, Shuji Furuta has been involved primarily in accounting. He previously served as Head of Finance and Accounting Unit. At present, he assists the President as Representative Director and Executive Vice President. He has extensive experience and achievements in finance and accounting, as well as knowledge regarding the management of global businesses. Accordingly, he is once again a candidate for Director.		

	<b>3 Takeshi Asai</b>		[DOB: April 3, 1964]
	Brief Personal History, Positions and Responsibilities		
	April 1988	Joined the Company	
	May 2008	Director, Sun Chemical Corporation	
	October 2010	Managing Director, DIC Europe GmbH	
	January 2016	General Manager, Business Performance Control Dept.	
	January 2018	Executive Officer; General Manager, Corporate Planning Dept.; In Charge of Osaka Branch and Nagoya Branch	
	January 2021	Executive Officer; Head of Corporate Strategy Unit; In Charge of Kawamura Memorial DIC Museum of Art	
	March 2021	Director; Executive Officer; Head of Corporate Strategy Unit; In Charge of Kawamura Memorial DIC Museum of Art	
	January 2022	Director; Managing Executive Officer; Head of Corporate Strategy Unit; In Charge of Kawamura Memorial DIC Museum of Art	
Number of the Company's Shares Held 11,743  Attendance at Board of Directors' Meetings 14/14	January 2024	Director; Senior Managing Executive Officer; Head of Finance and Accounting Unit; CFO	
	January 2026-Present	Director; Senior Managing Executive Officer; Group CFO; Head of Finance and Accounting Unit	
	Principal Concurrent Position Held at Other Organization		
	Representative Member, DIC INVESTMENTS JAPAN, LLC. Chairman of the Supervisory Board, Sun Chemical Group Coöperatief U.A.		
Reasons for Being a Candidate for Director			
Since joining the Company, Takeshi Asai has been involved primarily in accounting and corporate planning. He previously served as managing director of a subsidiary in Europe, General Manager of the Business Performance Control Dept. and Head of the Corporate Strategy Unit. At present, he is Group CFO; Head of the Finance and Accounting Unit. He has extensive experience and achievements in finance, accounting and corporate strategy, as well as knowledge regarding the management of global businesses. Accordingly, he is once again a candidate for Director.			

	<b>4 Masami Fujita</b>		[DOB: September 22, 1956]	<div>Outside Director</div> <div>Independent Director</div>
	Brief Personal History, Positions and Responsibilities			
	April 1980	Joined Fujitsu Limited		
	June 2012	Representative Director and Vice President, Fujitsu Limited		
	April 2016	Representative Director and President, Fujitsu Marketing Limited (Currently, Fujitsu Japan Limited)		
	January 2019	Advisor, Fujitsu Marketing Limited (Currently, Fujitsu Japan Limited) Executive		
	April 2019	Vice President, SHINKO ELECTRIC INDUSTRIES CO., LTD.		
	June 2019	Representative Director of Board and President, SHINKO ELECTRIC INDUSTRIES CO., LTD		
	June 2021	Representative Director of Board and Chairperson, SHINKO ELECTRIC INDUSTRIES CO., LTD		
	March 2023-Present	Outside Director, the Company		
Number of the Company’s Shares Held 2,000  Attendance at Board of Directors’ Meetings 14/14	Principal Concurrent Positions Held at Other Organizations			
	Outside Director, HAZAMA ANDO CORPORATION			
	Reasons for Being a Candidate for Director			
	Masami Fujita served as an executive officer overseeing all management departments, including human resources, at Fujitsu Limited, and as a representative director for a number of Fujitsu subsidiaries, including a marketing firm, and thus has extensive experience and insight in the area of corporate management. He can be expected to leverage these capabilities, together with his outstanding know-how regarding human resources strategies, to help strengthen supervision and governance of the DIC Group. Accordingly, he is once again a candidate for Director.			

	<b>5 Shiro Saito</b>		[DOB: May 1, 1957]	<div>Outside Director</div> <div>Independent Director</div>
	Brief Personal History, Positions and Responsibilities			
	April 1982	Joined Tokyo Shibaura Electric Co., Ltd. (Currently, TOSHIBA CORPORATION)		
	June 2014	Executive Officer and Corporate Vice President, TOSHIBA CORPORATION		
	September 2015	Executive Officer and Corporate Senior Vice President, TOSHIBA CORPORATION		
	June 2018	Executive Officer and Corporate Executive Vice President, TOSHIBA CORPORATION		
	April 2020	Executive Fellow, TOSHIBA CORPORATION		
	March 2024-	Outside Director, the Company		
	Present			
Number of the Company’s Shares Held 0  Attendance at Board of Directors’ Meetings 14/14	Principal Concurrent Positions Held at Other Organizations			
	Outside Director and Audit & Supervisory Committee Member, Tokuyama Corporation			
	Reasons for Being a Candidate for Director			
	In addition to a long career in R&D at TOSHIBA CORPORATION, Shiro Saito has been involved in corporate management for many years, serving as head of R&D and production, and thus has extensive experience and insight as an executive. He can be expected to leverage his highly specialized experience and broad understanding to advise and provide recommendations in such areas as research, technology and production, as well as to help strengthen supervision and governance of the DIC Group. Accordingly, he is once again a candidate for Outside Director.			

	<b>6 Donna Costa</b>		[DOB: August 15, 1960]	<div>Outside Director</div> <div>Independent Director</div>
	Brief Personal History, Positions and Responsibilities			
	August 1987	Joined Cleary Gottlieb Steen & Hamilton LLP		
	February 1996	General Counsel, Mitsubishi Chemical America, Inc		
	April 2015	President, Mitsubishi Chemical Holdings America, Inc. (Currently, Mitsubishi Chemical America, Inc.)		
April 2017	President, Mitsubishi Chemical Holdings Europe GmbH (Currently, Mitsubishi Chemical Europe GmbH)			
April 2017	Executive Officer, Mitsubishi Chemical Holdings Corporation (Currently, Mitsubishi Chemical Group Corporation)			
October 2020	Director, Gelest, Inc			
March 2024– Present	Outside Director, the Company			
Number of the Company’s Shares Held  0  Attendance at Board of Directors’ Meetings 14/14	Reasons for Being a Candidate for Director			
	Donna Costa has been engaged in corporate management at multiple global companies, serving primarily in legal and governance-related capacities, for many years, and thus has extensive experience in the area of corporate management, which she can be expected to leverage, together with outstanding expertise in M&As and risk management, to help strengthen supervision and governance of the DIC Group. Accordingly, she is once again a candidate for Outside Director.			

	<b>7 Shie Lundberg</b> (Name as it appears on Japanese family register: Shie Saito)		[DOB: October 11, 1973]	<div>Outside Director</div> <div>Independent Director</div>
	Brief Personal History, Positions and Responsibilities			
	April 1996 September 2001  February 2005 January 2008 February 2012 June 2016- Present June 2022 March 2025- Present	Joined Booz-Allen & Hamilton Co., Ltd. (Currently, PwC Consulting LLC) Joined Merrill Lynch Japan Securities Co., Ltd. (Currently, BofA Securities Japan Co., Ltd.) Director, VIZ Media, LLC Senior Director, VIZ Media, LLC Senior Director, Nextag, Inc. Director, Google Inc. (Currently, Google LLC)  Outside Director, Resona Bank, Limited Outside Director, the Company		
Number of the Company’s Shares Held 0  Attendance at Board of Directors’ Meetings 10/10	Principal Concurrent Positions Held at Other Organizations			
	Outside Director, Resona Holdings, Inc.			
	Reasons for Being a Candidate for Director			
Shie Lundberg has experience and achievements in the area of finance, as well as extensive know-how as an executive at multiple global companies, which she can be expected to leverage, together with exceptional expertise and competencies cultivated through involvement in startups and in the capital market, to help strengthen supervision and governance of the DIC Group. Accordingly, she is once again a candidate for Outside Director				

Notes:

- There are no special interests between each candidate and the Company.
- The number of the Company's shares held by each candidate includes the number of those to be provided for the past term of office as Executive Officer of the Company under the performance-based compensation plan, a certain proportion of which will be sold at market and provided in cash equivalent to the proceeds from the sale.
- The Company purchases directors' and officers' (D&O) liability insurance from an insurance company as stipulated in Article 430-3, Paragraph 1, of Japan's Companies Act, for all Directors, payable to the insured individuals. The insurance premiums of the insured individuals are paid in full by the Company. The insurance covers damages, including legal expenses incurred by insured individuals in the event of a claim for damages arising from an act or acts committed in the course of performing their duties. The contract is renewed annually. Each candidate for Director whose nomination is approved will be covered by this insurance, which will be renewed during their term of office.
- Masami Fujita, Shiro Saito, Donna Costa and Shie Lundberg are candidates for Outside Directors. Matters to be particularly mentioned in connection therewith are as follows:
  - Number of Years since the Candidates First Assumed Office of Outside Directors of the Company  
 At the conclusion of the General Meeting, Masami Fujita will have served for three years as Outside Director of the Company. At the conclusion of the General Meeting, Shiro Saito and Donna Costa will have served two years as Outside Director of the Company. At the conclusion of the General Meeting, Shie Lundberg will have served one year as Outside Director of the Company.
  - Summary of Liability Limitation Contracts  
 The Company plans to extend the contract for limitation of liability with Masami Fujita, Shiro Saito, Donna Costa and Shie Lundberg if they are reelected. Pursuant to the contract, if they neglect their duties and cause damages to the Company, they shall be liable for damages up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that they acted in good faith and were not grossly negligent in performing their duties.
  - Designation as Independent Directors  
 Masami Fujita, Shiro Saito, Donna Costa and Shie Lundberg are designated as Independent Directors pursuant to the rules of the Tokyo Stock Exchange. For the Company's Independence Standards for Independent Outside Officers, please refer to page 16.


### **Proposal 3 Election of 1 Alternate Audit & Supervisory Board Member**

With the expiration of the term of office of Alternate Audit & Supervisory Board Member Satoshi Hiyama at the start of the General Meeting, the Company proposes the election of one Alternate Audit & Supervisory Board Member to ensure that it is prepared in the event the number of Outside Audit & Supervisory Board Member falls below that required by laws and regulations.

This election may be cancelled prior to the Alternate Audit & Supervisory Board Member taking office by a resolution of the Board of Directors upon the consent of the Audit & Supervisory Board.

This proposal has received the consent of the Audit & Supervisory Board.

The candidate for Alternate Audit & Supervisory Board Member is as follows:

Candidate Name			Current Positions at the Company	Attendance at Board of Directors' Meetings	Attendance at Audit & Supervisory Board Meetings
	<b>Re-Nominated</b> Satoshi Hiyama	<b>Outside Independent</b> (if appointed)		—	—





**Re-Nominated** Re-Nominated Alternate Audit & Supervisory Board Member Candidate

**Outside** Outside Audit & Supervisory Board Member Candidate

**Independent** Independent Audit & Supervisory Board Member Candidate


(Reference)

Audit & Supervisory Board Members who will remain as Members after the conclusion of the General Meeting are as follows:

Name			Current Positions at the Company
	Toshinobu Kitamura		Full-time Audit & Supervisory Board Member
	Hiroyuki Ninomiya		Full-time Audit & Supervisory Board Member
	Keita Nagura	<b>Outside Independent</b>	Audit & Supervisory Board Member
	Keiko Kishigami	<b>Outside Independent</b>	Audit & Supervisory Board Member

**Outside** Outside Member

**Independent** Independent Member

	<b>Satoshi Hiyama</b>		[DOB: October 15, 1972]	<div>Outside Member</div> <div>Independent Member</div> <div>(If appointed)</div>
	Brief Personal History, Positions and Responsibilities			
	March 1998	Completed the training courses of the Legal Training and Research Institute		
	April 1998	Assistant Judge, Tokyo District Court		
	April 2000	Assigned to Civil Affairs Bureau, General Secretariat, Supreme Court		
	April 2002	Assistant Judge, Tokyo District Court		
	April 2003	Assistant Judge, Kokura Branch, Fukuoka District Court		
	August 2004	Joined Anderson Mori & Tomotsune		
	October 2006	Joined Sudoh & Takai Law Office		
	October 2015	Partner, Kikkawa Law Offices		
July 2017	Partner, Kikkawa Sogo Law Offices			
March 2018-Present	Alternate Audit & Supervisory Board Member, the Company			
May 2020-Present	Representative Partner, Hiyama & Saga Law Offices			
Number of the Company's Shares Held 0  Attendance at Board of Directors' Meetings —  Attendance at Audit & Supervisory Board Meetings —	Principal Concurrent Position Held at Other Organization			
	Outside Audit & Supervisory Board Member, ARTNATURE INC.			
	Reasons for Being a Candidate for Alternate Outside Audit & Supervisory Board Member			
	As an attorney in the area of corporate legal affairs, Satoshi Hiyama has accumulated a wealth of specialized knowledge and experience. As such, he is seen as able to perform his duties as an Outside Audit & Supervisory Board Member from a professional, multifaceted and independent perspective. Accordingly, he is once again a candidate for Alternate Outside Audit & Supervisory Board Member.			

Notes:

- There are no special interests between Satoshi Hiyama and the Company.
- Satoshi Hiyama is a candidate for Alternate Outside Audit & Supervisory Board Member. Matters to be particularly mentioned in connection therewith are as follows:
  - Summary of Liability Limitation Contracts**  
The Company plans to enter into a contract for limitation of liability with him if he takes office as Outside Audit & Supervisory Board Member. Pursuant to the contract, if he neglects his duties and causes damages to the Company, he shall be liable for damages up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that he acted in good faith and was not grossly negligent in performing his duties.
  - Designation as Independent Audit & Supervisory Board Member**  
The Company plans to designate him as Independent Audit & Supervisory Board Member pursuant to the rules of the Tokyo Stock Exchange if he takes office as Outside Audit & Supervisory Board Member. For the Company's Independence Standards for Independent Outside Officers, please refer to page 16.
- The Company purchases directors and officers (D&O) liability insurance from an insurance company for all Audit & Supervisory Board Members, payable to insured individuals, as stipulated in Article 430-3, Paragraph 1, of Japan's Companies Act. The insurance premiums of insured individuals are paid in full by the Company. This insurance covers damages, including legal expenses incurred by insured individuals in the event of a claim for damages arising from an act or acts committed in the course of performing their duties. The contract is renewed annually. The candidate for Audit & Supervisory Board Member whose nomination is approved will be covered by this insurance, which will be renewed during their term of office.

## Reference

### Expertise and Experience of Directors and Audit & Supervisory Board Members (Assuming the Election of All Candidates at the Annual General Meeting of Shareholders)

#### Skills Matrix

Name	Position	Expertise/Experience									
		Corporate Management	Finance/ Accounting/ Investment/ M&A	Legal Affairs/ Risk Management /Governance	International Experience	Sustainability / ESG/CSR	Technology/ R&D/Production/ Quality	IT/DX	Personnel/ Labor/ Organization	Marketing/ Sales/ Purchasing	New Business/ Innovation
Takashi Ikeda	Representative Director President	●	●		●		●				●
Shuji Furuta	Representative Director Executive Vice President	●	●	●	●			●			
Takeshi Asai	Director Senior Managing Executive Officer	●	●		●			●	●		
Masami Fujita	Outside Director	●		●		●			●	●	
Shiro Saito	Outside Director	●			●		●	●			●
Donna Costa	Outside Director	●		●	●	●			●		
Shie Lundberg	Outside Director		●	●	●			●			●
Toshinobu Kitamura	Audit & Supervisory Board Member (Full-time)		●		●	●		●			
Hiroyuki Ninomiya	Audit & Supervisory Board Member (Full-time)		●	●	●			●			
Keita Nagura	Audit & Supervisory Board Member (Independent)		●	●		●			●		
Keiko Kishigami	Audit & Supervisory Board Member (Independent)		●	●	●	●					
Satoshi Hiyama	Alternate Audit & Supervisory Board Member		●	●		●			●		



## **1. Policy for Nominating Director and Audit & Supervisory Board Member Candidates**

The Company's policy is to nominate Director and Audit & Supervisory Board Member candidates who have high ethical standards and who have the knowledge, experience and ability to perform their duties as delegated by shareholders in a manner that will contribute to sustainable growth and increased corporate value for the DIC Group as a whole.

## **2. Independence Standards for Independent Outside Officers**

The Company does not recognize individuals with the connections listed below as being independent in the appointment of Independent Outside Officers.

- 1) Individuals who are executives of the Company or one of its consolidated subsidiaries (collectively, the "DIC Group") at present or have been in the preceding 10 years.
- 2) Individuals to whom any of the following items has applied in the preceding 3 years:
  - ① A principal business partner of the DIC Group (a business partner with which transactions in a single fiscal year exceed 3% of the DIC Group's consolidated net sales in that year) or an executive of a business partner to which this description applies
  - ② An individual for which the DIC Group is a principal business partner (a business partner with which transactions in a single fiscal year exceed 3% of the partner's consolidated net sales in that year) or an executive of an entity to which this description applies
  - ③ A shareholder who holds 5% or more of the voting rights of the Company or an executive of a said shareholder to which this description applies
  - ④ A principal lender to the DIC Group (a lender from which loans in a single fiscal year exceed 3% of the DIC Group's total assets in that year) or an executive of a said lender to which this description applies
  - ⑤ An individual who has received contributions from the DIC Group in a year that exceed more than 10 million yen or an individual who belongs to an entity to which this description applies
  - ⑥ An accountant who serves as an accounting auditor or accounting advisor for the DIC Group or an individual who is an employee, partner or associate of an audit firm to which this description applies
  - ⑦ Any individual to whom item ⑥ does not apply but has received remuneration from the DIC Group that exceeds 10 million yen in a year, excluding remuneration received as a director or corporate officer of the DIC Group, as a provider of professional services, such as consulting, accounting or legal services, or an individual of an organization that received remuneration in excess of 3% of its consolidated net sales in a fiscal year as compensation for professional services
  - ⑧ An executive of another company, in the event that an executive of the Company is appointed to an outside officer position at that company
- 3) Spouses and relatives within the second degree of kinship of individuals listed in 1) or 2) above.
- 4) An individual whose term as an outside officer of the Company exceeds 8 years.



## Business Report

(January 1, 2025 - December 31, 2025)

### 1 Current Conditions of the DIC Group

#### 1.1 Business Progress and Achievements

In fiscal year 2025, ended December 31, 2025, consolidated net sales slipped 1.8%, to ¥1,052.2 billion.

- Looking at key global economies, concerns about supply chain disruptions and the impact on shipments due to the burden of tariff costs arose immediately after the announcement of the reciprocal tariff measures by the United States. However, the situation calmed as key countries and territories reached agreements on trade policies. Nonetheless, apprehension regarding rising prices and a resurgence of trade friction between the United States and the People's Republic of China (PRC) persisted, as a result of which an uncertain outlook lingered for both corporate entities and consumers.
- In this environment, operating conditions in customer industries identified as key growth areas diverged. In digital materials, used principally in electrical and electronics equipment and in displays, the operating rates of display manufacturers continued to cause fluctuations in the display market, while the semiconductor market remained robust, propelled by brisk demand for AI applications and for use in semiconductor devices, among others. In industrial materials,\* used primarily in mobility solutions, the automobile market remained relatively stable, despite a temporary surge in demand due to the U.S. tariff policy and the emergence of manufacturers based in the PRC.
- Against this backdrop, results varied for different products. Shipments of jet inks, used in digital printing, and of other high-value-added products, core chemitronics offerings such as epoxy resins and industrial-use adhesive tapes, continued to see steady growth, while products used in mobility solutions, including polyphenylene sulfide (PPS) compounds, were level with the previous fiscal year. In contrast, sales of packaging inks, pigments for coatings and for plastics and other mass-market consumer-adjacent products trended downward, owing to fears over rising prices and the economic outlook.

Operating income advanced 17.2%, to ¥52.2 billion. This was despite the decline in sales and was due mainly to firm shipments of high-value-added products, ongoing price revisions, including those implemented to counteract tariffs and exhaustive cost management efforts. This result also reflected an improvement in the Color & Display segment, owing to ongoing structural reforms in the pigments business in the United States and Europe, which helped trim costs, underpinning a return to profitability overseas from an operating loss in the previous fiscal year.

Ordinary income, at ¥44.2 billion, was up 16.7%. While foreign exchange losses mounted, reflecting the application of hyperinflationary accounting and the impact of currency translation, interest expenses fell as a result of U.S. and European interest rate cuts.

Net income attributable to owners of the parent climbed 51.8%, to ¥32.4 billion. This was a consequence of higher extraordinary income, thanks to, among others, a gain on sales of shares and investments in capital of subsidiaries and affiliates arising from withdrawal from the liquid crystal (LC) materials business and the sale of works of art, and a decrease in extraordinary losses.

Earnings before interest, taxes, depreciation and amortization (EBITDA) rose 14.2%, to ¥109.3 billion.

\*The Company uses the term “industrial materials” to describe products for use in mobility solutions, namely, automobiles, railroads and shipping, and for general industrial applications such as construction equipment and industrial machinery.

(Billions of yen)

	Fiscal Year 2024	Fiscal Year 2025	Change (%)	Change (%) [Local Currency Basis]
Net Sales	1,071.1	1,052.2	-1.8%	-1.7%
Operating Income	44.5	52.2	17.2%	17.8%
Ordinary Income	37.9	44.2	16.7%	—
Net Income (Loss) Attributable to Owners of the Parent	21.3	32.4	51.8%	—
EBITDA*	95.7	109.3	14.2%	—
¥/US\$1.00 (Average Rate)	151.04	150.08	-0.6%	—
¥/EUR1.00 (Average Rate)	163.34	169.58	3.8%	—

\* EBITDA = Net income attributable to owners of the parent + Total income taxes + (Interest expenses – Interest income) + Depreciation and amortization + Amortization of goodwill

Results of operations by segment are as follows:

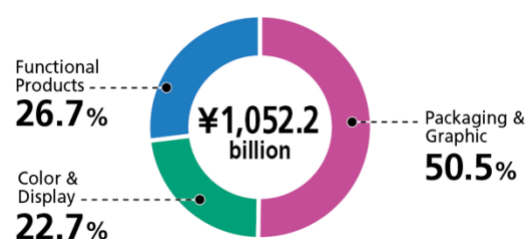
(Billions of yen)

Segment	Net Sales				Operating Income			
	Fiscal Year 2024	Fiscal Year 2025	Change (%)	Change (%) Local Currency Basis	Fiscal Year 2024	Fiscal Year 2025	Change (%)	Change (%) Local Currency Basis
Packaging & Graphic	560.1	549.7	-1.9%	-1.3%	31.6	31.1	-1.7%	1.6%
Color & Display	257.0	247.5	-3.7%	-4.4%	(0.3)	5.0	Into the black	Into the black
Functional Products	296.0	290.9	-1.7%	-2.1%	21.4	23.1	7.9%	6.9%
Others, Corporate and Eliminations	(41.9)	(35.8)	-	-	(8.2)	(7.0)	-	-
Total	1,071.1	1,052.2	-1.8%	-1.7%	44.5	52.2	17.2%	17.8%

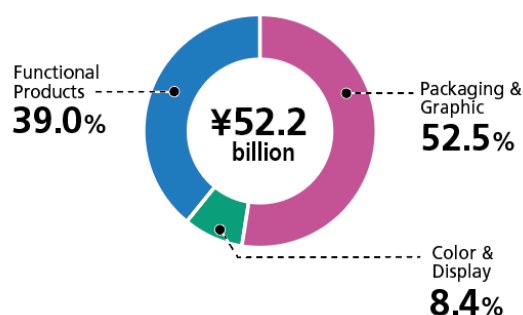
Note: Effective from fiscal year 2025, the Company revised its segment classification for certain net sales and operating income in “Packaging & Graphic,” “Functional Products” and “Others, Corporate and eliminations.” Accordingly, certain figures for fiscal year 2024 have been restated.

Segment results in key markets are detailed on pages 19-21. Year-on-year percentage changes in squared parentheses represent increases or decreases on a local currency basis.

Breakdown of Fiscal Year 2025 Net Sales by Segment



Breakdown of Fiscal Year 2025 Operating Income by Segment



Note: Percentages are calculated by adding back others, corporate and eliminations.

## Packaging & Graphic

Packaging Materials that Bring Safety and Peace of Mind

### Principal Products

#### [Printing Materials]

Gravure Inks, Flexo Inks, Offset Inks, News Inks, Jet Inks,  
Metal Decorative Inks, Printing Plates, Security Inks

#### [Packaging Materials]

Polystyrene, Packaging Adhesives, Multilayer Films



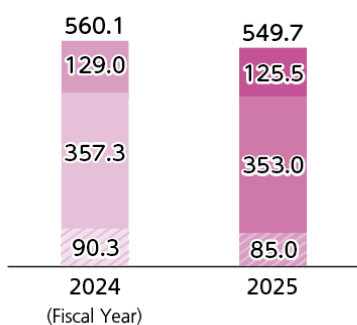
### Net Sales

¥549.7 billion Change -1.9% [-1.3%]

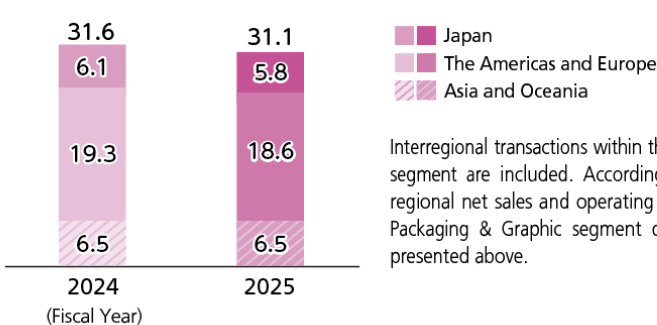
### Operating Income

¥31.1 billion Change -1.7% [1.6%]

#### ● Net Sales (Billions of yen)



#### ● Operating Income (Billions of yen)



Interregional transactions within the Packaging & Graphic segment are included. Accordingly, the aggregates of regional net sales and operating income figures for the Packaging & Graphic segment differ from the figures presented above.

Segment sales edged down 1.9%, to ¥549.7 billion. In the area of packaging inks, used chiefly on packaging for food products, shipments deteriorated in Japan, owing to a decline in consumption, as well as in the Americas and Europe—particularly Europe, which saw an economic slowdown and changes in the competitive environment—but sales in both geographic operating regions were up, bolstered by consistent efforts to adjust sales prices. In contrast, sales of these products in Asia and elsewhere waned as a consequence of flagging market conditions and persistent price competition everywhere except in the PRC, which reported an increase attributable to initiatives aimed at fostering new customers. Sales of publication inks, which center on inks for commercial printing and news inks, decreased, owing to ongoing structural demand declines worldwide and a sharp decline in shipments triggered by intensified price competition, notably in the Americas and Europe. Sales of jet inks, used in digital printing, advanced, as shipments remained firm, buttressed by advancing digitalization. Shipments of polystyrene, applications for which include food trays, dipped, owing to a variety of factors, including rising consumer prices and resulting consumer restraint in food purchases in Japan.

Segment operating income, at ¥31.1 billion, was down 1.7%. In Japan, operating income weakened, as steps taken to modify sales prices for packaging inks and publication inks were insufficient to counter elevated costs. In the Americas and Europe, operating income fell, owing to exchange rate fluctuations arising from the depreciation of emerging market currencies, among others, despite rising on a local currency basis thanks to ongoing efforts to maintain sales prices by ensuring stable supplies and services. In Asia and elsewhere, operating income declined as a consequence of lower sales.

## Color & Display

Color and Display Materials that Make Life Colorful

### Principal Products

[Color Materials]

Pigments for Coatings, Pigments for Plastics,

Pigments for Printing Inks, Pigments for Specialty Applications,

Pigments for Color Filters, Pigments for Cosmetics,

Health Foods



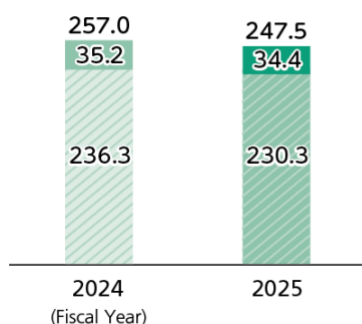
### Net Sales

¥ 247.5 billion Change -3.7% [-4.4%]

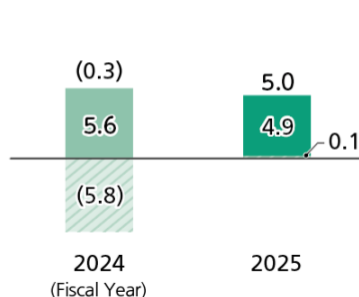
### Operating Income

¥5.0 billion Change Into the black [Into the black]

#### ● Net Sales (Billions of yen)



#### ● Operating Income (Loss) (Billions of yen)



Interregional transactions within the Color & Display segment are included. Accordingly, the aggregates of regional net sales and operating income figures for the Color & Display segment differ from the figures presented above.

Segment sales slipped 3.7%, to ¥247.5 billion. Shipments of pigments for coatings and for plastics—which together account for a significant share of sales—fell as demand remained sluggish, owing to economic uncertainty, particularly in the United States and Europe. Nonetheless, sales of these products expanded, buttressed by ongoing efforts to revise sales prices in response to tariffs and to improve profitability. Among high-value-added products, shipments of pigments for color filters used in displays dwindled, as the operating rates of display manufacturers remained unstable, although sales were up, thanks to changes in the product mix. Sales of pigments for cosmetics fell, as shipments were hindered by listless demand from cosmetics manufacturers in the Americas and Europe, the principal customers for these products, among others. Sales of pigments for specialty applications rose, as shipments of products for agricultural use recovered following the completion of inventory adjustments, and shipments of products used in building materials were up. Lower overall segment sales were also due to the absence of sales of LC materials as a result of withdrawal from this business.

The segment moved back into the black, reporting operating income of ¥5.0 billion. This improvement was bolstered by increased sales of high-value-added products such as pigments for color filters and of specialty pigments, as well as by ongoing structural reforms in the pigments business in the United States and Europe, which helped trim costs, underpinning a return to profitability overseas from an operating loss in the previous fiscal year.

## Functional Products

Functional Products that Add Comfort

### Principal Products

[Performance Materials]

Synthetic Resins for Inks and Coatings, Molded Products, Adhesives and Textiles (Polyester Resins, Polyurethane, Acrylic Resins, Plasticizers), Waterborne resins, Sulfur Chemicals, Metal Carboxylates

[Composite Materials]

PPS Compounds, Plastic Colorants, Hollow-Fiber Membranes and Modules, Medical Diagnostic Products

[Chemitronics]

Epoxy Resins, Industrial Adhesive Tapes, UV-curable Resins, Surfactant for Electronics Equipment, Photoresist Polymers

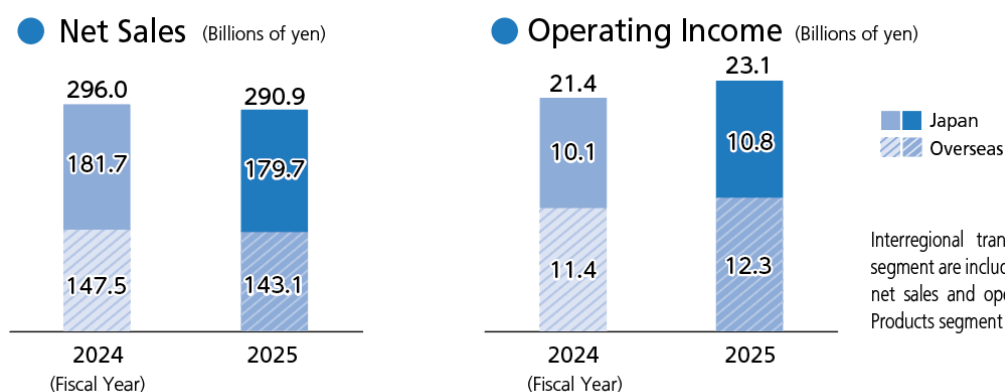


### Net Sales

¥ 290.9 billion Change -1.7% [-2.1%]

### Operating Income

¥ 23.1 billion Change 7.9% [6.9%]



Segment sales edged down 1.7%, to ¥290.9 billion. In the area of digital materials, sales of epoxy resins, the foremost application for which is electronics equipment—including semiconductors—increased, as demand for semiconductors fueled firm shipments overall. Sales of industrial-use adhesive tapes, used mainly in smartphones and other mobile devices, rose owing to steady efforts to lock in demand bolstered by broader adoption for use in new models. In the area of industrial materials, shipments of materials for mobility solutions, including PPS compounds, remained solid, despite concerns regarding the impact of U.S. tariffs on the automobile market. The decrease in segment sales also resulted from reduced sales of architectural interior materials stemming from the April 2025 divestiture of consolidated subsidiary DIC Decor, Inc.

Segment operating income advanced 7.9%, to ¥23.1 billion. This gain was despite higher costs due to advance investments in the area of chemitronics, and reflected factors such as expanded marketing of high-value-added products for use in electronics equipment and in mobility solutions and successful efforts to maintain sales prices for all products.

## 1.2 Operating Results and Financial Position

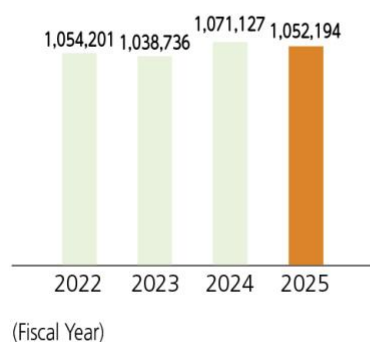
Consolidated operating results and financial position are as follows:

	Fiscal Year 2022 (January 1, 2022– December 31, 2022)	Fiscal Year 2023 (January 1, 2023– December 31, 2023)	Fiscal Year 2024 (January 1, 2024– December 31, 2024)	Fiscal Year 2025 (January 1, 2025– December 31, 2025)
Net Sales (Millions of yen)	1,054,201	1,038,736	1,071,127	1,052,194
Operating Income (Millions of yen)	39,682	17,943	44,521	52,192
Operating Margin (%)	3.8	1.7	4.2	5.0
Ordinary Income (Millions of yen)	39,946	9,216	37,905	44,250
Net Income Attributable to Owners of the Parent (Millions of yen)	17,610	(39,857)	21,313	32,353
Earnings Per Share (Yen)	186.05	(421.06)	225.11	341.71
Net Assets (millions of yen)	421,088	399,267	420,615	490,844
Total Assets (millions of yen)	1,261,637	1,244,889	1,226,433	1,274,091

Note: Since the fiscal year 2017, the Company has introduced the Board Benefit Trust (BBT). The shares held by the trust are recorded under net assets as treasury shares. The number of treasury shares excluded from the weighted-average number of shares issued during the fiscal year used for the calculation of earnings per share includes the number of shares held by the trust.

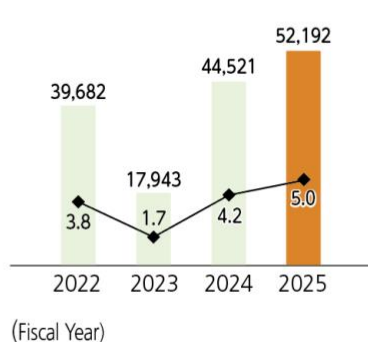
### Net Sales

(Millions of yen)



### Operating Income/Operating Margin

Operating Income (Millions of yen)  
Operating Margin (%)



### Net Income (Loss) Attributable to Owners of the Parent/Earnings Per Share

Net Income (Loss) Attributable to Owners of the Parent (Millions of yen)  
Earnings Per Share (yen)



### 1.3 Challenges to be Addressed

Looking ahead to fiscal year 2030, the DIC Group will focus management resources in areas in which it can leverage its competitive strengths to contribute to a society that is increasingly green, digital and Quality of Life (QOL)-oriented. To this end, the Group will promote strategies outlined in DIC Vision 2030 with the aim of building a business portfolio that contributes to sustainable prosperity for society and helping achieve sustainability for the global environment and for society.

#### 1.3.1 Business Portfolio Transformation

- 1) Strengthen profitability through the qualitative transformation of core businesses.

Strengthen the profitability of core businesses through implementation of structural reforms of ink and packaging materials, pigments, and polymers, as well as transformation of the product portfolio.

- 2) Build businesses with the potential to become new pillars that drive growth.

An AI-integrated society is one in which AI is integrated into all aspects of social systems. Positioning "chemitronics" and "composite materials/devices" as growth businesses that support an AI-integrated society, providing materials and solutions primary in the semiconductors, batteries and physical AI fields.

#### 1.3.2 Sustainability Strategies

- 1) Deployment of Sustainable Products
- 2) Reduce CO2 emissions
- 3) Response to the Circular Economy



## Special Topic 1

### Basic Strategies of Phase 2 of the Long-term Business Plan "DIC Vision 2030"

The Company has formulated the Phase 2 of its DIC Vision 2030 long-term management plan. As the final push toward achieving the goals of the plan, originally introduced in February 2022, Phase 2 begins in fiscal year 2026 and will conclude in fiscal year 2030. In Phase 1 of DIC Vision 2030, we succeeded in restoring our core businesses to profitability, securing a foothold growth area. In Phase 2, we will further evolve our businesses model with the aim of driving dramatic growth and enhancing corporate value, including by enhancing shareholders return.

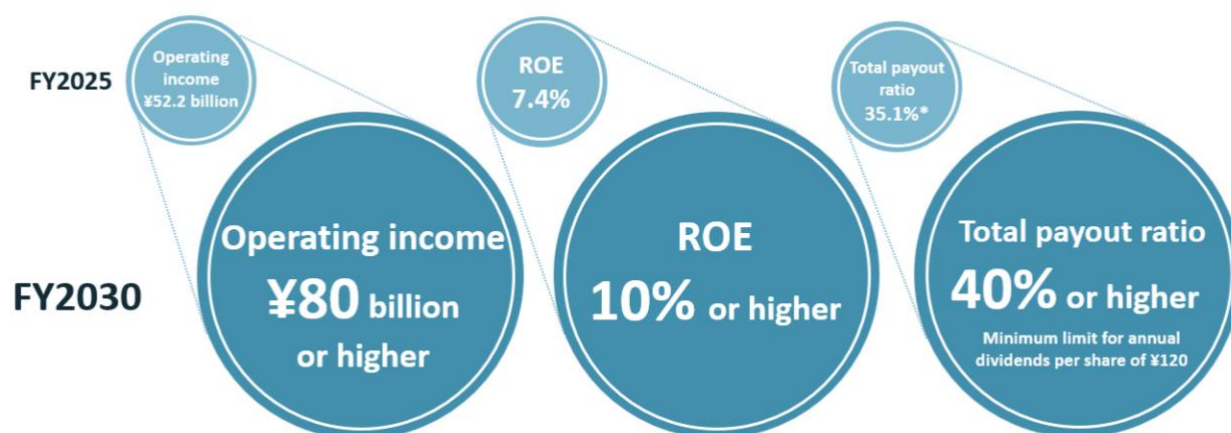
For more information on “DIC Vision 2030 Phase 2”, please visit the website of the Company.

URL: <https://pdf.irpocket.com/C4631/doF3/ejVY/MtoH.pdf>

#### 1. Basic policy of Phase 2

- DIC Vision 2030 positions, Phase 1 (fiscal years 2022–2025) as a period for is foundation building and Phase 2 (fiscal years 2026–2030) as a period for realizing DIC’s Vision for itself.
- During Phase 2, the Company will take further steps to ensure the achievement of its targets for fiscal year 2030, with an emphasis on building a business portfolio that delivers sustainable growth and profitability, and on bolstering corporate value by improving capital efficiency and enhancing shareholder returns.

### Commitments for Fiscal Year 2030

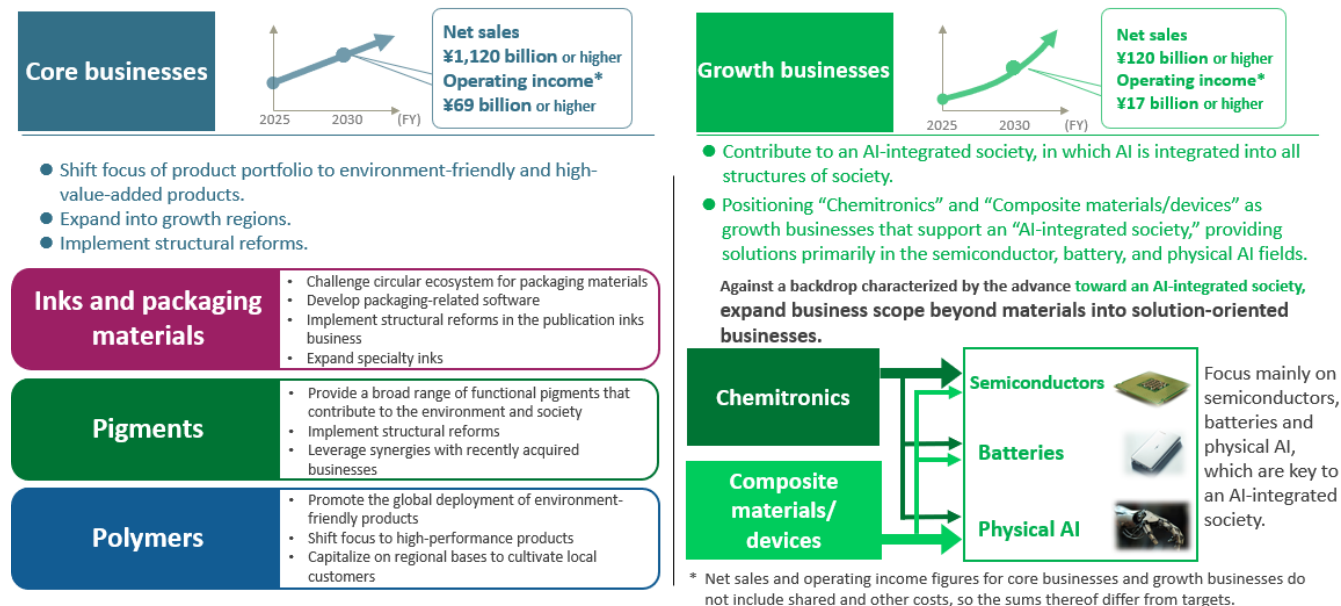


\* Total payout ratio is calculated based on ordinary dividends (¥120 per share) and does not include special dividends (¥80 per share).



## 2. Target business portfolio

The Company aims to achieve steady business expansion by enhancing the profitability of its core businesses through structural reforms and the transformation of its product portfolio, while at the same time focusing its allocation of resources on growth businesses.



## 3. Initiatives aimed at establishing growth businesses

An AI-integrated society is one in which AI is integrated into all aspects of social systems. The Company provides materials and solutions in areas that support an AI-integrated society, notably semiconductors, batteries, and physical AI, in which it can leverage its management resources.

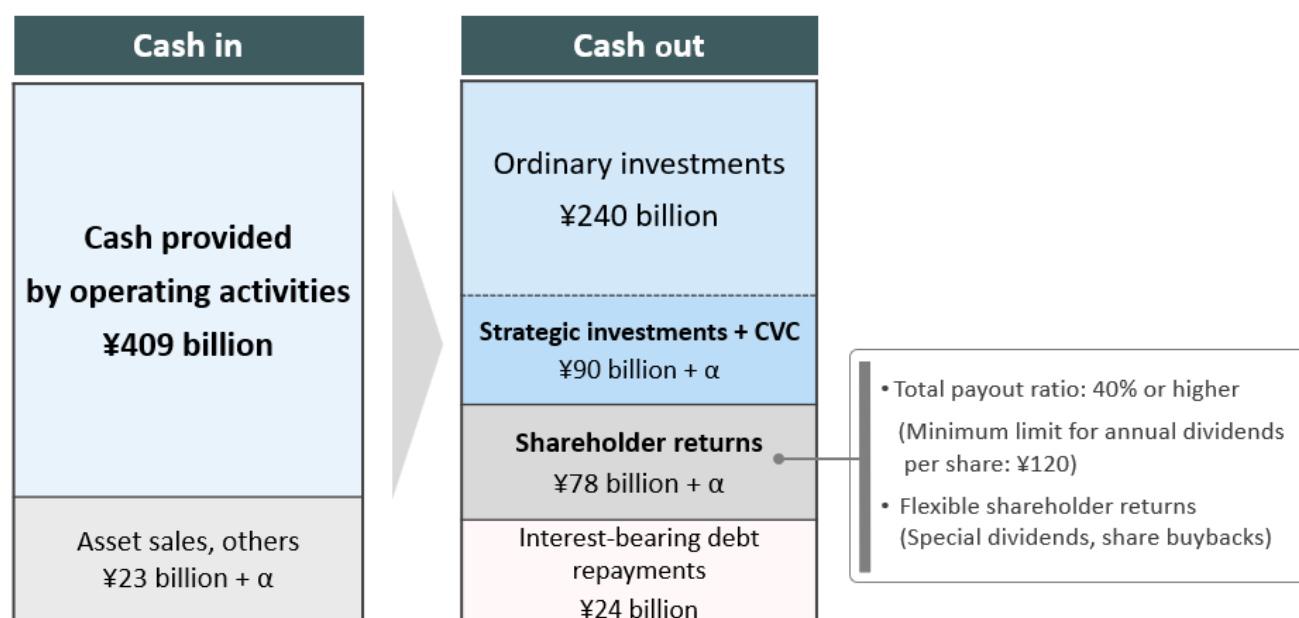


#### 4. Financial targets and KPIs

(Billions of yen/%)	2025	2026	2030
	Actual	Targets	Targets
Net sales	1,052.2	1,100	1,240 or higher
Operating income	52.2	56	80 or higher
ROIC (%)	4.4%	4.7%	6.0% or higher
Return on equity (ROE) (%)	7.4%	7.1%	10.0% or higher
Net D/E ratio (Times)	0.8	0.8	0.8 or less

#### 5. Cash allocation policies

##### Cumulative Cash Allocation (Fiscal Years 2026–2030)



## Special Topic 2

### Development of Material that Enhances Safety by Preventing the Spread of LiB Fires

New GELRAMIC™ Fire Propagation-Prevention Endothermic Pad Material Helps Address a Key Social Imperative by Improving Battery Safety

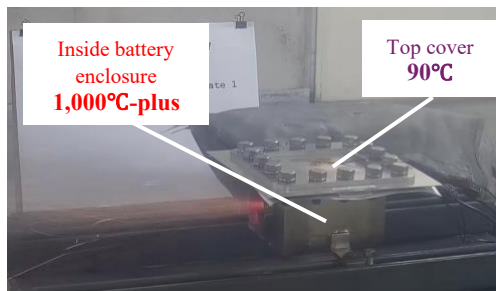
Fiscal year 2025 brought the development of GELRAMIC™, an endothermic pad material for lithium-ion batteries (LiBs) that prevents the spread of LiB fires. This new pad material incorporates a proprietary gel with outstanding endothermic properties that absorbs heat during a thermal runaway event, which can cause a battery's temperature to increase uncontrollably and eventually ignite, helping to suppress temperature increases and prevent the fire from spreading beyond the battery.

GELRAMIC™ also transforms into a hard ceramic sheet at elevated temperatures, providing thermal insulation and protection against flying debris, and physically preventing the propagation of fire and heat.

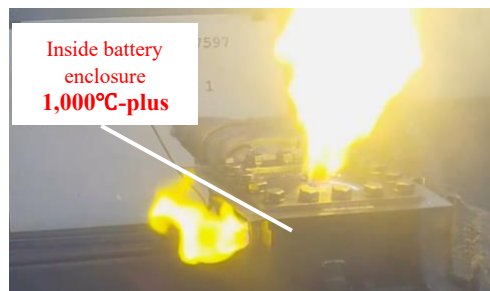
Building on its exceptional flexibility, this product can be easily applied to curved surfaces, broadening the range of potential applications. The Company envisions deployment in sectors such as the collection and recycling of spent lithium-ion batteries, as well as further expansion into safety measures for electric vehicles (EVs) and stationary energy storage systems.

#### LiB enclosure temperature change as a result of thermal runaway

① 5.0 mm-thick endothermic pad installed



② No endothermic pad installed



With the rapidly expanding use of LiBs continuing to grow, there has been a concurrent increase in the incidence of batteries overheating and catching fire when in use or after disposal. According to a report released by Japan's Ministry of the Environment, LiB fires were responsible for approximately 8,500 conflagrations in fiscal year 2023 involving, among others, waste processing facilities and sanitation trucks, underscoring the need for urgent action. Accordingly, in fiscal year 2025 it became mandatory for municipalities to collect and recycle LiBs discarded by households. In fiscal year 2026, companies manufacturing or importing LiBs will also be required to collect and recycle used batteries from customers.

Against this backdrop, the Company aims to market GELRAMIC™ for use in LiB collection containers. In addition, the Company looks forward to expanding applications to include mobility solutions, such as EVs and electric-assisted bicycles. Safety tests conducted on EV battery enclosures containing multiple cells confirmed that even under the harshest conditions—in which the LiB's internal temperature rose to over 1,300°C—the installation of this material enables the battery enclosure to maintain an exterior surface temperature below 90°C.

GELRAMIC™ made its debut at a battery trade show in September 2025, where it attracted considerable attention from visitors and the media, and is currently undergoing evaluation by multiple corporate customers and being field-tested by local authorities.

The development of this innovative material reflects the basic strategy of the DIC Vision 2030 long-term management plan to create new businesses in response to environmental, safety and health (ESH)-related issues and social changes. Going forward, the Company will continue to conduct R&D with the goal of commercializing functional materials for next-generation secondary batteries, thereby helping to reduce energy consumption and address key social imperatives.

## 1.4 Financing Activities

### 1) Methods of Financing

During fiscal year 2025, the DIC Group raised the necessary funds through borrowing from financial institutions and the issuance of commercial paper.

In addition, interest-bearing debt as of December 31, 2025, decreased by 26.1 billion yen from the previous fiscal year-end, owing to proceeds from asset sales and the generation of robust operating cash flows, and totaled 458.3 billion yen (including lease liabilities).

### 2) Principal Borrowings (as of December 31, 2025)

Lender	Balance of Borrowings (Millions of yen)
MUFG Bank, Ltd.	120,619
Mizuho Bank, Ltd.	44,226
Sumitomo Mitsui Banking Corporation	27,528

### 3) Investment in Facilities

In addition to placing a high priority on product development and research themes that promise long-term growth, the DIC Group invests in labor efficiency, rationalization, conservation and environmental safety.

In fiscal year 2025, the DIC Group invested 40.8 billion yen in facilities. Principal investments to update or expand existing facilities, by segment, were as follows:

Segment	Investment	Details
Packaging & Graphic	Construction/reinforcement of production facilities for inks	Investments to build a high-efficiency production facility in the PRC in conjunction with the realignment of local ink production and to reinforce production facilities for packaging inks in the Americas and Europe
Color & Display	Update of production facilities for pigments	Investments to update production facilities for pigments for coatings, functional pigments and other products overseas, thereby bolstering production efficiency, and to streamline production by consolidating production facilities
Functional Products	Reinforcement of production facilities for synthetic resins and for hollow-fiber membrane modules	Investments to reinforce production facilities to expand operations in the area of synthetic resins for electronics applications, as well as to update facilities crucial to ensuring stable supplies of specialty compounds, and to augment existing production facilities for hollow-fiber membrane modules used in semiconductor fabrication equipment



Production facility for inks (PRC)



Production facility for hollow-fiber member modules (Japan)

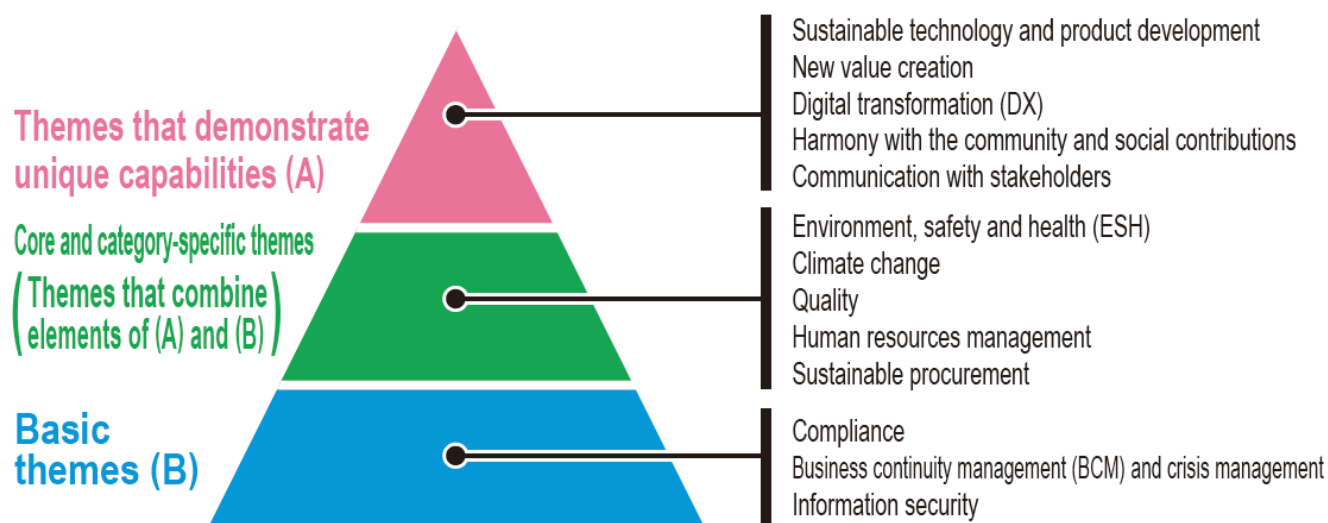
## 1.5 Sustainability Initiatives

The Company has established the ESG Unit, a specialized department, with the aim of further expanding DIC Group environmental, social and governance (ESG) initiatives worldwide.

The DIC Vision 2030 long-term management plan outlines two crucial objectives, namely, build a business portfolio that contributes to sustainable prosperity for society and help achieve sustainability for the global environment and for society. To achieve these objectives, the DIC Group promotes a variety of initiatives in line with five key concepts outlined in its Basic Policy on Sustainability, namely

- preserving safety and health;
- managing risks relating to ESG issues;
- ensuring fair business practices and respect for diversity and human rights;
- maintaining harmony with the environment and advancing its protection; and
- creating value for society through innovation and contributing to ongoing economic growth.

In fiscal year 2025, the DIC Group's sustainability initiatives were organized into a framework comprising 13 themes, as shown below



Amid ongoing global efforts to decarbonize, companies in Japan face increasing demand both in Japan and overseas to disclose sustainability-related information. Going forward, DIC Group employees will continue working to deliver the value that its stakeholders—including its customers, suppliers, local communities, shareholders and investors, and employees—expect, showing ingenuity and a sense of responsibility.

## 1.6 Principal Facilities (Principal Offices, Plants and R&D Facilities)

### 1) The Company

#### Corporate Headquarters

7-20, Nihonbashi 3-chome, Chuo-ku, Tokyo

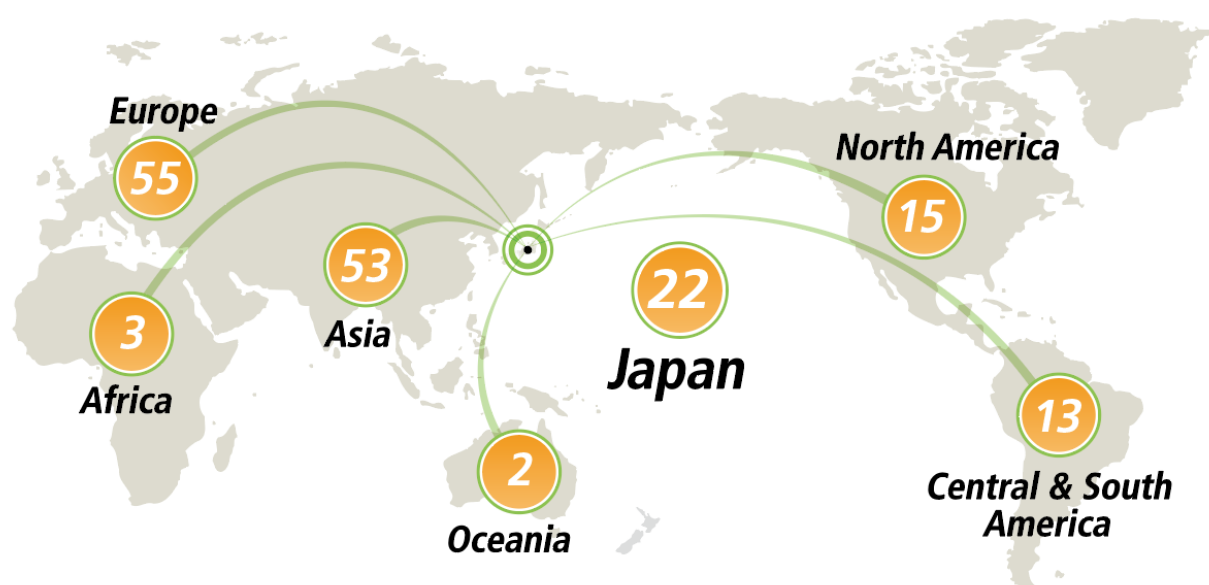
#### Branch Offices

Osaka Branch (Osaka)   Nagoya Branch (Aichi)

#### Plants and R&D Facilities

Tokyo Plant (Tokyo)	Chiba Plant (Chiba)	Hokuriku Plant (Ishikawa)
Sakai Plant (Osaka)	Kashima Plant (Ibaraki)	Yokkaichi Plant (Mie)
Komaki Plant (Aichi)	Saitama Plant (Saitama)	Tatebayashi Plant (Gunma)
Shiga Plant (Shiga)	Central Research Laboratories (Chiba)	

Global Network (163 companies in 62 countries and territories)



2) Subsidiaries and Affiliates

Packaging & Graphic (102 companies)

DIC Graphics Corporation (Tokyo, Japan)

Sun Chemical Group Coöperatief U.A. (Netherlands)

Nantong DIC Color Co., Ltd. (PRC)

PT. DIC GRAPHICS (Indonesia)

DIC Graphics (Dongguan) Co., Ltd. (PRC)

DIC India Limited (India)

DIC Graphics (Thailand) Co., Ltd. (Thailand)

and 95 other companies

Color & Display (19 companies)

Colors & Effects USA LLC (USA)

Sun Chemical Colors & Effects GmbH (Germany)

Earthrise Nutritionals LLC (USA)

and 16 other companies

Functional Products (29 companies)

DIC EP Corporation (Chiba, Japan)

DIC Material Inc. (Tokyo, Japan)

DIC Kitanihon Polymer Co., Ltd. (Miyagi, Japan)

DIC PLASTICS Inc. (Saitama, Japan)

DIC Kyushu Polymer Co., Ltd. (Oita, Japan)

DIC Zhangjiagang Chemicals Co., Ltd. (PRC)

DIC Siam Chemical Industry Co., Ltd. (Thailand)

Guangdong DIC TOD Resins Co., Ltd. (PRC)

Changzhou Huari New Material Co., Ltd. (PRC)

DIC SYNTHETIC RESINS (ZHONGSHAN) CO., LTD. (PRC)

and 19 other companies

Others (12 companies)

DIC (CHINA) CO., LTD. (PRC)

DIC Asia Pacific Pte Ltd (Singapore)

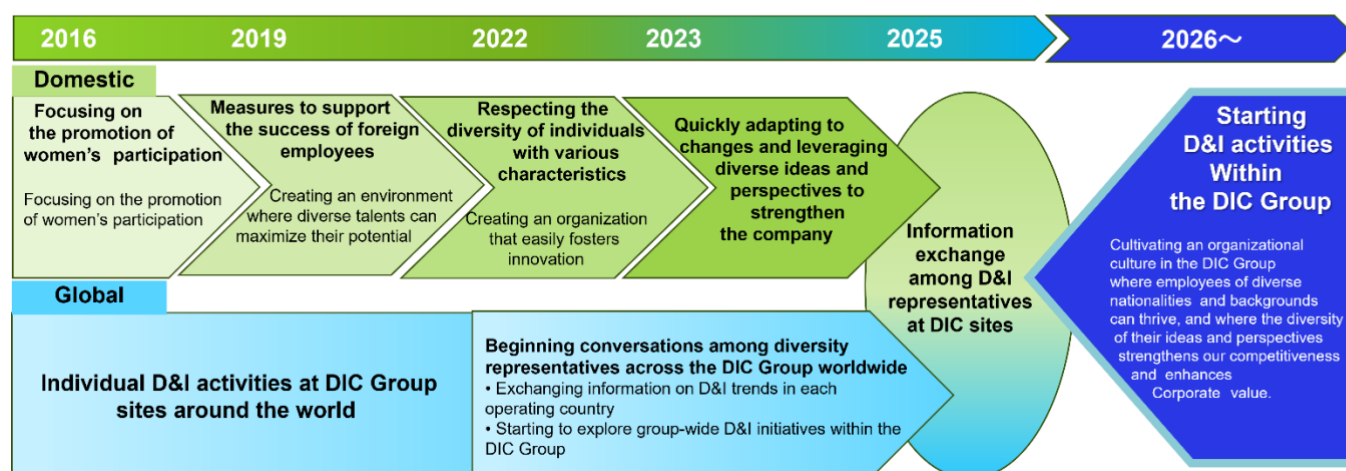
and 10 other companies



## (Reference) Diversity and Inclusion of DIC

DIC Group will shift toward a unified and more globally integrated management structure.

In response to the increasing diversity of our workforce, our diversity initiatives will focus on fostering an organizational culture that draws out the diverse knowledge and experiences of individuals with various backgrounds. By transforming differences in perspectives and ideas—arising from factors such as gender, nationality, and childcare responsibilities, as well as differing work environments—into a driving force for innovation, we will work to enhance our corporate value.



## 1.7 Principal Subsidiaries and Affiliates

Company Name	Location	Capital	Ownership of Voting Rights	Principal Business
Sun Chemical Group Coöperatief U.A.	Netherlands	€2,469,852 thousand	100.0%	Investment in and financing for Sun Chemical Group companies
DIC Asia Pacific Pte Ltd	Singapore	S\$310,161 thousand	100.0%	Investment in and financing for DIC Group companies in the Asia and Oceania regions, and manufacture and sale of DIC products
DIC (CHINA) CO., LTD.	PRC	RMB2,335,469 thousand	100.0%	Investment in and financing for DIC Group companies in the PRC
Colors & Effects USA LLC	USA	\$484,602 thousand	100.0%	Manufacture and sale of pigments and related products
DIC Graphics Corporation	Tokyo, Japan	¥500 million	66.6%	Manufacture and sale of printing inks and supplies
DIC INVESTMENTS JAPAN, LLC.	Tokyo, Japan	¥91 million	100.0%	Investment in and financing for DIC Group companies
TAIYO HOLDINGS CO., LTD.	Saitama, Japan	¥10,206 million	20.0%	Setting the group's broad strategic direction, managing subsidiaries, and research and development for Taiyo Group companies

Notes:

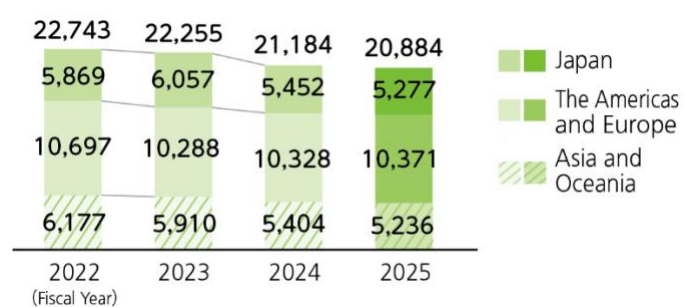
- The figures for capital of Sun Chemical Group Coöperatief U.A. and Colors & Effects USA LLC are equivalent to the companies' capital surplus since the companies have no figure equivalent to the capital.
- Ownership of voting rights includes indirect investments.



## 1.8 Workforce Statistics

Segment	Number of Employees
Packaging & Graphic	10,451
Color & Display	3,737
Functional Products	4,881
Others	416
Corporate (Shared)	1,399
Total	20,884

Number of Employees



## 2 Stock Information

### 2.1 Total Number of Shares Authorized

150,000,000

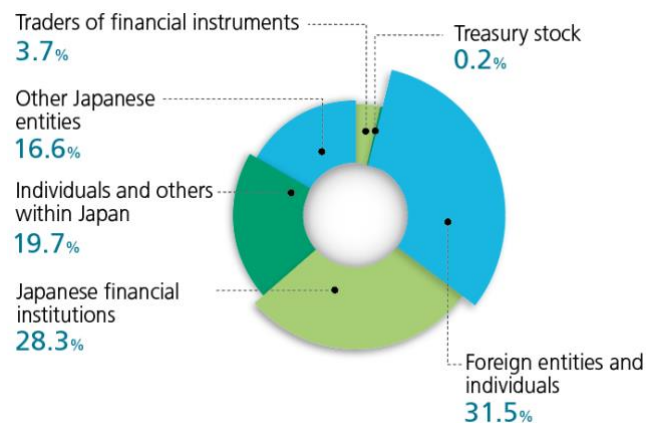
### 2.2 Total Number of Shares Issued

95,156,904

### 2.3 Number of Shareholders

50,718

### Distribution of Shareholders by Investor Type



### 2.4 Major Shareholders

Name of Shareholder	Number of Shares Owned	Shareholding Percentage (%)
SHOEI INC.	12,694,386	13.37
The Master Trust Bank of Japan, Ltd. (Trust Account)	10,777,600	11.35
OASIS JAPAN STRATEGIC FUND LTD.	5,792,408	6.10
Custody Bank of Japan, Ltd. (Trust Account)	3,325,000	3.50
The Dai-ichi Life Insurance Company, Limited	3,033,309	3.19
OASIS INVESTMENTS II MASTER FUND LTD.	2,783,918	2.93
OASIS JAPAN STRATEGIC FUND Y LTD.	2,442,916	2.57
STATE STREET BANK AND TRUST COMPANY 505223	2,069,706	2.18
Aioi Nissay Dowa Insurance Co., Ltd.	2,020,859	2.13
NIPPON LIFE INSURANCE COMPANY	1,900,075	2.00

Notes:

- The above table lists the top 10 shareholders.
- The shareholding percentage is calculated by subtracting the number of treasury shares (199,459 shares) from the total number of shares issued. The number of treasury shares does not include shares held by Custody Bank of Japan, Ltd. (277,400 shares) as trustee of the Company's board benefit trust (BBT).

### 2.5 Stock Provided to Directors and Audit & Supervisory Board Members as Compensation for the Performance of Duties in Fiscal Year 2025

	Number of Shares	Number of Recipients
Directors (Excluding Outside Directors)	-	-
Outside Directors	-	-
Audit & Supervisory Board Members	-	-

Note: No shares were bestowed on Directors or Audit & Supervisory Board Members as performance-based remuneration upon retirement.

### 3 Matters Concerning Directors and Audit & Supervisory Board Members

#### 3.1 Directors and Audit & Supervisory Board Members

##### 1) Directors

Position	Name	Responsibilities at the Company and Principal Concurrent Positions at Other Organizations	Attendance at Board of Directors' Meetings
Chairman of the Board of Directors	Kaoru Ino		14/14(100%)
Representative Director President and CEO	Takashi Ikeda		14/14(100%)
Representative Director Executive Vice President	Shuji Furuta	Assistant to the President and CEO	14/14(100%)
Director Senior Managing Executive Officer	Takeshi Asai	Head of Finance and Accounting Unit CFO Representative Member, DIC INVESTMENTS JAPAN, LLC. Chairman of the Supervisory Board, Sun Chemical Group Coöperatief U.A.	14/14(100%)
<span>Outside</span> <span>Independent</span> Director	Masaya Nakafuji	Head of General Affairs and Legal Unit In Charge of Risk management, Osaka Branch and Nagoya Branch	14/14(100%)
<span>Outside</span> <span>Independent</span> Director	Masami Fujita	Outside Director, HAZAMA ANDO CORPORATION	14/14(100%)
<span>Outside</span> <span>Independent</span> Director	Shiro Saito	Outside Director and Audit & Supervisory Committee Member, Tokuyama Corporation	14/14(100%)
<span>Outside</span> <span>Independent</span> Director	Donna Costa		14/14(100%)
<span>Outside</span> <span>Independent</span> Director	Shie Lundberg	Outside Director, Resona Holdings, Inc.	10/10(100%)

##### 2) Audit & Supervisory Board Members

Position	Name	Responsibilities at the Company and Principal Concurrent Positions at Other Organizations	Attendance at Board of Directors' Meetings	Attendance at Audit & Supervisory Board Meetings
Full-time Audit & Supervisory Board Member	Toshinobu Kitamura		14/14(100%)	16/16(100%)
Full-time Audit & Supervisory Board Member	Hiroyuki Ninomiya		14/14(100%)	16/16(100%)
<span>Outside</span> <span>Independent</span> Audit & Supervisory Board Member	Keita Nagura	Attorney Outside Director, Helios Techno Holding Co., Ltd.	14/14(100%)	16/16(100%)
<span>Outside</span> <span>Independent</span> Audit & Supervisory Board Member	Keiko Kishigami	Certified public accountant Outside Audit & Supervisory Board Member, Okamura Corporation Outside Director and Audit Committee Member, Sony Group Corporation Outside Director and Audit & Supervisory Committee Member, Sumitomo Seika Chemicals Company, Limited	14/14(100%)	16/16(100%)

Notes:

- Directors Masami Fujita, Shiro Saito, Donna Costa and Shie Lundberg are Outside Directors.
- Audit & Supervisory Board Members Keita Nagura and Keiko Kishigami are Outside Members.
- Audit & Supervisory Board Member Toshinobu Kitamura oversaw corporate accounts at the Company for many years and has extensive expertise in

- finance and accounting.
4. Audit & Supervisory Board Member Hiroyuki Ninomiya oversaw corporate accounts at the Company for many years, was the General Manager of Accounting Dept. and Head of Finance and Accounting Unit, and has extensive expertise in finance and accounting.
  5. In addition to providing expertise in corporate law, Outside Audit & Supervisory Board Member Keita Nagura provides tax accounting services pursuant to Article 51 of the Certified Public Tax Accountant Act and has extensive expertise in finance and accounting.
  6. Outside Audit & Supervisory Board Member Keiko Kishigami is qualified as a certified public accountant, has engaged in the audit of companies for many years, and has extensive expertise in finance and accounting.
  7. Outside Directors Masami Fujita, Shiro Saito, Donna Costa and Shie Lundberg and Outside Audit & Supervisory Board Members Keita Nagura and Keiko Kishigami are designated as Independent Directors/Members in accordance with the rules of the Tokyo Stock Exchange.
  8. Outside Director Shie Lundberg was newly elected and assumed office at the 127th Annual General Meeting of Shareholders held on March 27, 2025.
  9. At the conclusion of the 127th Annual General Meeting of Shareholders held on March 27, 2025, Directors Yoshihisa Kawamura and Kuniko Shoji retired from their positions.
  10. In June 2025, Outside Director Masami Fujita retired from his position as Representative Director of Board and Chairperson, SHINKO ELECTRIC INDUSTRIES CO., LTD.
  11. In June 2025, Outside Director Shiro Saito assumed office as an Outside Director and Audit & Supervisory Committee Member, Tokuyama Corporation.
  12. In June 2025, Outside Director Shie Lundberg assumed office as an Outside Director, Resona Holdings, Inc.
  13. Figures for attendance at Board of Directors' meetings for Outside Director Shie Lundberg reflects the number of meetings held subsequent to her assumption of office on March 27, 2025 until December 31, 2025.
  14. The Company executed the contract for limitation of liability with all of the Outside Directors and Outside Audit & Supervisory Board Members. Pursuant to the contract, if they neglect their duties and cause damages to the Company, they shall be liable for damages up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that they acted in good faith and were not grossly negligent in performing their duties.
  15. As of January 1, 2026, certain Directors' positions and responsibilities at the Company were amended as shown below.

Position	Name	Responsibilities at the Company and Principal Concurrent Positions at Other Organizations
Director	Kaoru Ino	
Representative Director President	Takashi Ikeda	Group CEO
Director Senior Managing Executive Officer	Takeshi Asai	Group CFO Head of Finance and Accounting Unit Representative Member, DIC INVESTMENTS JAPAN, LLC. Chairman of the Supervisory Board, Sun Chemical Group Coöperatief U.A.
Director	Masaya Nakafuji	

### 3) Outline of D&O Liability Insurance

The Company purchases directors' and officers' (D&O) liability insurance from an insurance company, as stipulated in Article 430-3, Paragraph 1, of the Companies Act, for all Directors, Audit & Supervisory Board Members, Executive Officers and other individuals designated as important employees under the Companies Act (including those who have already retired) of the Company and of its domestic subsidiaries, payable to the insured individuals. The insurance premiums of the insured persons are paid in full by the Company.

This insurance covers damages, including legal expenses incurred by insured individuals in the event of a claim for damages arising from an act or acts committed in the course of performing their duties. This contract is renewed annually.

(Reference)

The Company has adopted an Executive Officer system in order to facilitate the prompt execution of operations and better clarify responsibilities. As of January 1, 2026, Executive Officers who do not concurrently serve as Directors are as shown below.

Position	Name	Responsibilities at the Company and Principal Concurrent Positions at Other Organizations
Managing Executive Officer	Masamichi Sota	President, Packaging & Graphic Business Group General Manager, Printing Material Business Div.
Managing Executive Officer	Kiyofumi Takano	General Manager, New Business Development Headquarters
Managing Executive Officer	Myron Petruch	President, Color & Display Business Group President and CEO, Sun Chemical Corporation
Managing Executive Officer	Yoshinari Akiyama	Vice President, Color & Display Business Group General Manager, Color Material Business Div.
Managing Executive Officer	Koji Asada	Head of IT Strategy Unit
Managing Executive Officer	Toshiro Ariga	Group CTO General Manager, Technical Management Unit
Managing Executive Officer	Tomoyuki Tanaka	Group CSO Head of Corporate Strategy Unit
Managing Executive Officer	Yoshiharu Ootoshi	General Manager, Production Management Unit
Managing Executive Officer	Hisashi Komoto	President, Functional Products Business Group General Manager, Composite Material Business Div.
Executive Officer	Masahiro Kikuchi	Chairman, DIC (CHINA) CO., LTD. General Manager, DIC (CHINA) CO., LTD. Chairman, DIC (Shanghai) Co., Ltd.
Executive Officer	Yuji Morinaga	General Manager, Packaging Material Business Div.
Executive Officer	Kuniko Torayama	Head of ESG Unit General Manager, Sustainability Strategy Dept. In Charge of Diversity
Executive Officer	Masaaki Kusaka	Head of Legal and General Affairs Unit In Charge of Risk management, the Internal Audit Dept., Osaka Branch and Nagoya Branch
Executive Officer	Takao Iribe	Head of SCM Unit
Executive Officer	Kevin Michaelson	Vice President and Chief Financial Officer, Sun Chemical Corporation
Executive Officer	Takashi Mukai	General Manager, Performance Material Business Div.
Executive Officer	Minoru Hara	General Manager, Chemitronics Business Div.
Executive Officer	Matthew Goldberg	Group CHRO Vice President, Human Resources, Sun Chemical Corporation

### 3.2 Remuneration for Directors and Audit & Supervisory Board Members

#### 1) Policies on and Other Matters Concerning the Determination of Remuneration for Directors

At the Board of Directors' meeting held on May 15, 2017, the Company revised the Executive Regulations, adopting a

resolution on policies for determining remuneration for individual Directors. Prior to adopting this resolution, the Board of Directors consulted with the Remuneration Committee and received a report on the content thereof.

In addition, the Board of Directors has confirmed that the method used to determine remuneration and remuneration thus determined are consistent with the policies decided by the Board of Directors and has judged that remuneration for each individual Director for fiscal year 2025 is in accordance with the policy.

The details of the policies for determining remuneration, etc., for individual Directors are as follows:

① Policy on Basic Remuneration

Remuneration for Directors, including bonuses, is determined by the Remuneration Committee, which has been entrusted with this responsibility by the Board of Directors, within the limit for total remuneration decided by resolution at the Annual General Meeting of Shareholders, with consideration given to individual responsibilities, ability to perform duties, actual performance of duties, the Company's operating results, a management compensation database offered by an external research organization, and balance with employee salaries.

② Policy on Performance-Based Remuneration

The Company pays performance-based remuneration to Directors who serve concurrently as Executive Officers, consisting of bonuses, which are linked to performance of duties as Executive Officer and commensurate with the Company's operating results. Individual performance-based remuneration is determined by the Remuneration Committee, which has been entrusted with this responsibility by the Board of Directors.

③ Policy on Non-Monetary Remuneration

The Company provides non-monetary remuneration to Directors who concurrently serve as Executive Officers with the objective of strengthening Executive Officers' awareness of the importance of contributing to the medium- to long-term improvement of operating results, as well as to the enhancement of corporate value, and of sharing the same objectives as shareholders. Individual points granted are calculated using the method stipulated in the Rules of Officer Share Benefit.

④ Policy on Composition of Remuneration

The composition of remuneration provided by the Company, that is, the weighting of basic remuneration (fixed) and performance-based remuneration, is determined by the Remuneration Committee in accordance with the policy for determination stipulated in the Executive Regulations. In making this determination, the Company verifies the appropriateness of compensation levels by referring to a management compensation database offered by an external research organization and benchmarks total remuneration and the composition thereof for each position. The composition of remuneration by position is as follows:

Representative Director: Basic remuneration: 55% / Bonus: 30% / Stock compensation: 15% (Fixed remuneration: 55% / Performance-based remuneration: 45%)

Director: Basic remuneration: 60% / Bonus: 25% / Stock compensation: 15% (Fixed remuneration: 60% / Performance-based remuneration: 40%)

⑤ Policy on the Timing and Conditions for the Payment of Remuneration

Basic remuneration is paid on the day on which an employee's salary is paid. Performance-based remuneration and non-monetary remuneration are paid and points are granted after the Annual General Meeting of Shareholders.

⑥ Matters Concerning the Delegation of Authority for Determining Remuneration

By resolution of the Board of Directors, authority for determining remuneration for Directors is entrusted to the

# Remuneration Committee.

- Members of the Remuneration Committee

Chairman: Masami Fujita / Outside Director

Members: Kaoru Ino / Director Takashi Ikeda / Representative Director; President; Group CEO

Shiro Saito/ Outside Director Donna Costa / Outside Director

Shie Lundberg / Outside Director

- Authority delegated

Matters concerning the determination of remuneration for individual Directors

- Reasons for entrusting authority

Authority is entrusted because the Company believes that objectively evaluating each Director while taking into consideration the Company's overall business performance and other factors is not a matter suited to consideration by Directors, but rather is more appropriately discussed and deliberated by the Remuneration Committee, which in fiscal year 2025 consisted of the Director; Chairman of the Board of Directors (currently the Director) and the Representative Director; President, who have an overall view of the Company, and Outside Directors, who are in a position to increase transparency and fairness. To ensure the appropriate exercise of delegated authority, the Remuneration Committee is chaired by an Outside Director and the majority of the members are Outside Directors.

## 2) Policies on and Other Matters Concerning the Determination of Remuneration for Audit & Supervisory Board Members

Remuneration for Audit & Supervisory Board Members is determined through discussion involving all Audit & Supervisory Board Members, in accordance with internal rules established by the Audit & Supervisory Board, within the limit of the total remuneration determined by resolution of the Annual General Meeting of Shareholders, with consideration given to ensuring a balance with remuneration for Directors and to prevailing market rates.

## 3) Total Amount of Remuneration in Fiscal Year 2025

Category	Total Amount (Millions of yen)	Composition of Remuneration (Millions of yen)			Number of Directors and Audit & Supervisory Board Members
		Basic Remuneration (Fixed)	Performance-Based Remuneration		
			Bonus	Stock Compensation	
Directors (Portion of the above paid to Outside Directors)	529 (66)	351 (66)	104 (-)	74 (-)	11 (5)
Audit & Supervisory Board Members (Portion of the above paid to Outside Audit & Supervisory Board Members)	93 (31)	93 (31)	- (-)	- (-)	4 (2)
Total (Portion of the above paid to Outside Directors and Outside Audit & Supervisory Board Members)	622 (98)	444 (98)	104 (-)	74 (-)	15 (7)

### Notes:

1. The above data includes two Directors, one of which is an Outside Director who retired at the conclusion of the 127th Annual General Meeting of Shareholders held on March 27, 2025.
2. The key performance indicator (KPI) for calculating the bonus of performance-based remuneration is consolidated operating income, which was 52,192 million yen. The standard component of performance-based remuneration, which is commensurate with position, is calculated by multiplying position-specific basic bonus by degree of achievement of the target for consolidated operating income in the fiscal year at the time the standard component is determined, taking into account evaluation of department performance and individual contribution, with the limit for increases and decreases set at 50%. Non-monetary remuneration consists of stock compensation, conditions for the allotment of which are as described in "1) Policies on and Other Matters

Concerning the Determination of Remuneration for Directors” above, which is performance based and calculated using the method stipulated in the Rules of Officer Share Benefit. The KPIs used are degree of achievement of targets for consolidated operating income and net income attributable to owners of the parent set forth in the long-term management plan, as well as year-on-year percentage change in both. The percentages of achievement of targets have been 130% for the long-term management plan and 122% for the year-on-year percentage. By using those KPIs, stock compensation is granted in the form of points.

The KPIs used were chosen because consolidated operating income represents the quality of the core business of corporate activities and net income attributable to owners of the parent represents an increase in corporate value. This is to clarify the linkage between the remuneration of the subject Directors and the Company’s business performance and stock value.

3. Monetary remuneration for Directors was resolved at the 109th Annual General Meeting of Shareholders, held on June 27, 2007, to not exceed 700 million yen per year (not including that for the job of Executive Officer for Directors who serve concurrently in this position). The number of Directors at the conclusion of the 109th Annual General Meeting of Shareholders was 13, none of which were Outside Directors. At the 123rd Annual General Meeting of Shareholders, held on March 30, 2021, the Company resolved that the amount of stock compensation shall not exceed 250 million yen per three fiscal years and the maximum number of shares shall not exceed 46,000 points per year (Directors who do not concurrently serve as Executive Officers and Outside Directors are not eligible). The number of Directors (not including Directors who do not concurrently serve as Executive Officers and Outside Directors) at the conclusion of the 123rd Annual General Meeting of Shareholders was four.
4. Monetary remuneration for Audit & Supervisory Board Members was resolved at the 107th Annual General Meeting of Shareholders, held on June 28, 2005, to not exceed 100 million yen per year. The number of Audit & Supervisory Board Members at the conclusion of the 107th Annual General Meeting of Shareholders was four.

## **(Reference)**

### **Policy for Determining Remuneration for Directors from Fiscal Year 2026**

Effective from January 2026, the composition of remuneration for Directors who serve concurrently as Executive Officers was revised to include a higher percentage of variable compensation and the proportion of remuneration accounted for by stock compensation was increased, with the aim of ensuring the transparency of governance and competitiveness.

Additionally, regarding the performance metrics used to calculate bonuses and stock compensation, to enhance incentives for increasing corporate value and maximizing shareholder value, rate of improvement in return on invested capital (ROIC) will be added as a KPI for the calculation of bonuses, which currently uses consolidated operating income, while total shareholder return (TSR) and the rate of improvement in return on equity (ROE) will be added as KPIs for the calculation of stock compensation, which currently uses consolidated operating income and net income attributable to owners of parent.

### **3.3 Outside Directors and Audit & Supervisory Board Members**

- 1) Relationship between the Company and Organizations in which Outside Directors and Outside Audit & Supervisory Board Members Concurrently Hold Principal Positions

The Company has transactions involving the sale and purchase of products with Tokuyama Corporation, in which Outside Director Shiro Saito concurrently holds a principal position. The Company also has transactions with Sumitomo Seika Chemicals Company and Okamura Corporation, in which Outside Audit & Supervisory Board Member Keiko Kishigami concurrently holds principal positions, involving the sale and purchase of products and the outsourcing of construction work. These transactions account for less than 0.1% of the DIC Group’s annual consolidated net sales.

There are no other special interests between the Company and the organizations in which Outside Directors and Audit & Supervisory Board Members concurrently hold principal positions.



## 2) Principal Activities of Outside Directors and Outside Audit &amp; Supervisory Board Members for Fiscal Year 2025

Position	Name	Attendance at Board of Directors' Meetings	Attendance at Audit & Supervisory Board Meetings	Statements at Meetings and Outline of Performance of Expected Duties as Outside Director
Director	Masami Fujita	14/14 (100%)	—	Proactively made statements on proposed resolutions from diverse perspectives based on extensive and comprehensive experience and expertise in corporate management gained as an executive officer overseeing all management departments, including human resources, and as a representative officer, and played an important role in strengthening the Group's management oversight functions and decision making; as a member of the Nomination Committee, the Remuneration Committee and the Corporate Value Improvement Committee, participated in the selection of candidates for Director, the determination of remuneration for Directors and the improvement of corporate value over the long term from an objective position.
	Shiro Saito	14/14 (100%)	—	Proactively made statements on proposed resolutions based on highly specialized and wide-ranging experience and expertise in corporate management gained as an executive officer overseeing R&D and production departments, and played an important role in strengthening the Group's management oversight functions and decision making by providing advice and making recommendations on challenges in the areas of research, technological development and production; as a member of the Nomination Committee, the Remuneration Committee and the Corporate Value Improvement Committee, participated in the selection of candidates for Director, the determination of remuneration for Directors and the improvement of corporate value over the long term from an objective position.
	Donna Costa	14/14 (100%)	—	Proactively made statements on proposed resolutions based on extensive experience and expertise in corporate management at multiple global companies, primarily in legal and governance-related capacities, as well as in M&As and risk management, and played an important role in strengthening the Group's management oversight functions and decision making; as a member of the Nomination Committee, the Remuneration Committee and the Corporate Value Improvement Committee, participated in the selection of candidates for Director, the determination of remuneration for Directors and the improvement of corporate value over the long term from an objective position.
	Shie Lundberg	10/10 (100%)	—	Proactively made statements on proposed resolutions from diverse perspectives based on extensive experience in global corporate management and a wealth of specialized know-how cultivated through involvement in the areas of finance, startups and capital markets, and played an important role in strengthening the Group's management oversight functions and decision making; as a member of the Nomination Committee, Remuneration Committee and Corporate Value Improvement Committee, participated in the selection of candidates for Directors, the determination of remuneration for Directors and the improvement of corporate value over the long term from an objective position.
Audit & Supervisory Board Member	Keita Nagura	14/14 (100%)	16/16 (100%)	Proactively made statements on proposed resolutions from his perspective as an attorney with specialized expertise.
	Keiko Kishigami	14/14 (100%)	16/16 (100%)	Proactively made statements on proposed resolutions from her perspective as a certified public accountant with specialized expertise.

Notes: Figures for attendance at Board of Directors' meetings for Director Shie Lundberg reflect the number of meetings held subsequent to her assumption of office on March 27, 2025 until December 31, 2025.

## 4 Matters Concerning the Accounting Auditor

### 4.1 Name of Audit Firm

Deloitte Touche Tohmatsu LLC

### 4.2 Remuneration and Other Payments for the Accounting Auditor

	Total Amount (Millions of yen)
Amount of Remuneration and Other Payments Paid by the Company	175
Total Amount of Money and Other Property Benefits to be Paid by the Company and its Subsidiaries	212

Notes:

1. The audit agreement entered into by the Company and its Accounting Auditor does not distinguish clearly between the amount derived from the audit under the Companies Act and the amount derived from the audit under the Financial Instruments and Exchange Act and the two amounts cannot be substantially distinguished from each other. Consequently, both are included in the amount of remuneration to be paid by the Company.
2. The accounts of principal overseas subsidiaries are audited by firms other than the firm named above (accounting auditor, public accountants or other individuals or firms that hold a certification equivalent to that of accounting auditor in Japan) in conformity with the requirements of laws in their respective countries of domicile that correspond to the Companies Act or Financial Instruments and Exchange Act.
3. The Audit & Supervisory Board received briefings about the audit performance for the past fiscal years done by the Accounting Auditor, quality of audit, audit plans for fiscal year 2025 and the calculation basis of remuneration estimate from Directors and senior executives in the Company and the Accounting Auditor, and reviewed said briefings accordingly. As a result, remuneration and other payments for the Accounting Auditor were approved by the Audit & Supervisory Board because it was deemed appropriate to conduct the planned audit and align the standard to maintain audit quality.
4. In addition to the above, the Company paid additional remuneration of 16 million yen for audit for fiscal year 2024.

### 4.3 Non-Audit Services

Not applicable.

### 4.4 Policy on Decisions Concerning Dismissal or Non-Reappointment of the Accounting Auditor

The Audit & Supervisory Board shall dismiss the Accounting Auditor with the Audit & Supervisory Board Members' unanimous consent if it determines that any act or circumstance of the Accounting Auditor falls under any of the events set forth in Article 340, Paragraph 1 of the Companies Act. When the Accounting Auditor is dismissed pursuant to the above mentioned provisions, an Audit & Supervisory Board Member elected mutually among all the Members shall report such fact and the reason for the dismissal at the first General Meeting of Shareholders after the dismissal.

In such case that impairs the Accounting Auditor's competence or independence, thus making it difficult for the Accounting Auditor to conduct an appropriate audit, the Audit & Supervisory Board has the right to determine the contents of a proposal for dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders by the Board of Directors.

## **5 Summary of Resolutions Regarding, and the Operational Status of, Systems for Ensuring That the Performance of Duties by Directors Complies with Laws, Regulations and the Company's Articles of Incorporation and Other Systems for Ensuring the Appropriateness of Other Operations**

The following is a summary of resolutions of the Board of Directors regarding, and the operational status of, the aforementioned systems.

### **I . Basic Concepts Regarding Internal Controls**

In striving to conduct its operations in accordance with The DIC Way, the DIC Group has prepared and operates a system of internal controls based on the Companies Act of Japan to ensure the appropriateness of its operations.

Note:

The DIC Way was formulated to represent the DIC Group's fundamental management philosophy and includes the Group's mission: "We create enhanced value and utilize innovation to introduce socially responsible and sustainable products."

### **II . The DIC Group's System of Internal Controls**

#### **5.1 Systems for Ensuring that the Performance of Duties by Directors and Employees of the DIC Group Complies with Laws, Regulations and the Company's Articles of Incorporation**

- 1) The Company shall prepare regulations for meetings of the Board of Directors and regulations for Ringi (approval by written circular) and shall clarify decision-making authority within the DIC Group.
- 2) The Company shall appoint Outside Directors and shall work to bolster monitoring functions with regard to management.
- 3) The Company shall work to set forth the DIC Group Code of Business Conduct as the standard regarding compliance, which Directors and employees of the DIC Group should comply with, and to disseminate it.
- 4) The Company shall establish an internal auditing department and shall monitor the status of the implementation and operation of internal control systems of the DIC Group on a periodic basis. Important matters that are discovered through such monitoring and the status of improvements shall be reported to Representative Directors on a periodic basis, and those matters of particular importance are to be reported to the Board of Directors. Additionally, subsequent to the end of each fiscal year the internal auditing department shall report the results of monitoring during that year to the Board of Directors and the Audit & Supervisory Board.
- 5) The Company shall, as a part of its compliance activities, establish an internal notification system as a channel available for the employees of the DIC Group and set up multiple notification channels independent from channels for communication used in the execution of business, thereby creating a structure that can quickly respond to domestic and international notifications. In addition, a system shall be put into place so that any person making a notification will not suffer any detriment.
- 6) The Company shall sever any and all connections with antisocial elements and shall collaborate with legal counsel and the police, among others, in making firm responses to unwarranted demands, etc., made on the DIC Group by such antisocial elements.

#### **【Operational Status】**

The Company has clarified decision-making authority within the DIC Group via the Articles of Incorporation, regulations for

meetings of the Board of Directors, regulations for Ringi and regulations for authorization, etc., in order to ensure the performance of duties and enhancement of supervisory functions, all of which it reviews on an ongoing basis.

The Company has nominated four individuals to serve as Independent Outside Directors, and the ratio of Independent Outside Directors to the total number of Directors has been one-third or more.

The Corporate Value Improvement Committee, which consists of four Independent Outside Directors and was established to advise the Board of Directors from a third-party perspective, took up business portfolio management as a theme for deliberation in the period under review and provided pertinent advice to the Board of Directors.

In the fiscal year 2025, e-learning programs on the DIC Group Code of Business Conduct, antitrust, anti-bribery and anti-corruption and quality compliance were conducted for DIC Group companies.

The Company's internal audit function monitored the status of implementation and operation of the system of internal controls system and reported to the Representative Directors regarding important matters discovered through this process, as well as on the status of improvements. Audit results were reported directly to the Board of Directors in line with its basic policy on internal control and internal audit regulations.

The Company handled internal claims appropriately by conducting investigations and interviews.

## **5.2 Systems for Ensuring that the Duties of Directors of the DIC Group Are Performed Efficiently**

- 1) In order to ensure the duties of Directors are performed properly and efficiently within the DIC Group, the Company shall establish regulations regarding company organization and authority.
- 2) In order to expedite the conduct of business and clarify responsibilities, the Company shall introduce an executive officer system. In addition to resolving important business affairs of the DIC Group in accordance with the Articles of Incorporation and regulations for meetings of the Board of Directors, the Board of Directors shall also supervise the status of Executive Officers' business conduct.
- 3) The Company shall formulate management plans and annual budgets based on management policies and management strategies of the DIC Group and, through dissemination of the same, ensure common goals are shared within the DIC Group. The Company shall make progress reports to the Board of Directors.

### **【Operational Status】**

The Company made decisions regarding the performance of important duties in accordance with the regulations for meetings of the Board of Directors, regulations for Ringi and other regulations.

The executive officer system facilitated efficient decision making, while the Board of Directors supervised the executive officers' performance of their duties through the preparation of performance reports.

The Executive Committee meets twice monthly in principle to deliberate important matters related to the execution of the DIC Group's business. Individuals responsible for overseas regional headquarters also attend committee meetings in the event matters

deliberated have the potential to significantly impact the Group's management, thus calling for the sharing of information across the global DIC Group.

The Company seeks to ensure the appropriate and efficient execution of duties in accordance with decision-making authority.

The Board of Directors held several meetings to deliberate the details of Phase 2 of the DIC Vision 2030 long-term management plan, which will guide the Company from fiscal year 2026 through fiscal year 2030. Phase 2 was announced in February 2026.

Regarding the annual budget, steps were taken to enhance awareness, including holding in-house briefings and posting related information on the Company's internal portal site, in addition to the monthly progress reports that were made available to the Board of Directors.

### **5.3 Systems for the Preservation and Management of Information Pertaining to the Performance of Duties by Directors**

- 1) Information pertaining to the performance of duties by Directors, such as the minutes of meetings of the Board of Directors and Ringi documents, shall be recorded, retained and managed appropriately based on the regulations for document management.
- 2) The Company shall establish regulations for systems of information management and shall prepare a system for preventing leakage of confidential information of the DIC Group.

#### **【Operational Status】**

Information related to the performance of duties by Directors is documented in a printed or electronic form and, together with related materials used in management decision making, retained for the period of time stipulated in the regulations for document management. Following the implementation of information security measures, such information was managed rigorously in accordance with the regulations for confidential information management and other related regulations.

Information on the performance of duties by Directors is retained in a manner that ensures it can be made available promptly for review if a request is received from a Director, Audit & Supervisory Board Member or other pertinent individual.

In addition to meeting periodically, the Information Security Committee formulates and implements a variety of measures to strengthen information security, including penetration tests.

### **5.4 Regulations and Other Systems Relating to the Management of Risk of Loss to the DIC Group**

- 1) The Company shall formulate a risk management policy and shall identify, assess, prioritize and address any risks that may have a significant impact on management of the DIC Group.
- 2) The Company shall establish a risk management system for the DIC Group and shall ensure its effectiveness by repeating the plan-do-check-act (PDCA) cycle.

#### **【Operational Status】**

Based on the risk management policy, the Risk Management Working Group, a subordinate entity of the Sustainability

Committee, identified risks with the potential to significantly affect the Group's performance over the medium to long term, in line with the growth scenario set forth in DIC Vision 2030 and with consideration for changes in the operating environment and has implemented measures to minimize the impact of these latent risks on the DIC Group's operations should such latent risks materialize.

In Japan, as part of its BCM program, scheduled annual updates of product division and business division business continuity plans (BCPs) are implemented. In fiscal year 2025, the Company also conducted training led by executive officers with the aim of strengthening the operational structure of the headquarters task force and verifying the effectiveness of initial responses. The Company also sought to clarify decision-making criteria, chain of command and information-sharing routes within the headquarters task force, thereby reinforcing management's ability to deal with crises.

### **5.5 Other Systems for Ensuring Proper Operations of the DIC Group**

- 1) The Company shall determine an administrative department for each subsidiary from the standpoints of business execution and management and shall supervise business affairs by dispatching a director to each subsidiary.
- 2) The Company shall clarify important matters, including those pertaining to subsidiaries, that must be approved by or reported to the Company.

#### **【Operational Status】**

In addition to dispatching a director to each subsidiary, the Company receives regular reports from subsidiaries on business plans and operating conditions, while corporate headquarters' administrative departments and other related departments collaborate to supervise subsidiaries under their jurisdiction.

The Company has established regulations regarding authority within the DIC Group pertaining to matters that must be approved by or reported to the Company.

The Company has formulated Group company management regulations and clarified its management support structure for Group companies.

### **5.6 Systems for Ensuring that Audits by Audit & Supervisory Board Members are Conducted Effectively**

- 1) In addition to attending meetings of the Board of Directors and other important meetings, Audit & Supervisory Board Members may inspect the contents of Ringi approvals at any time.
- 2) In addition to meeting with Representative Directors on a periodic basis to exchange information and opinions, Audit & Supervisory Board Members shall strive to foster close cooperation by holding liaison meetings on a periodic basis with the internal auditing department, the Accounting Auditor and the Audit & Supervisory Board Members of subsidiaries.
- 3) Directors and employees of the DIC Group shall report facts that could cause substantial damage to the Company and matters designated by the Audit & Supervisory Board as "Matters to be Reported to Audit & Supervisory Board Members or the Audit & Supervisory Board" to Audit & Supervisory Board Members or the Audit & Supervisory Board.

- 4) The DIC Group shall not treat persons who report to Audit & Supervisory Board Members unfavorably because they have made a report.
- 5) The Company shall establish an Audit & Supervisory Board Members' Office and shall assign dedicated personnel to assist Audit & Supervisory Board Members in their duties. Such personnel shall obey only the directions and orders of the Audit & Supervisory Board Members. Evaluations shall be conducted by Audit & Supervisory Board Members and matters such as personnel changes and disciplinary actions will require the prior consent of Audit & Supervisory Board Members.
- 6) The Company shall pay the costs and fees that Audit & Supervisory Board Members need to perform their duties.

#### **【Operational Status】**

Audit & Supervisory Board Members attended important meetings, including those of the Board of Directors and the Executive Committee, and reviewed the contents of Ringi approvals as necessary.

Audit & Supervisory Board Members held liaison meetings on a periodic basis with Representative Directors, the internal auditing department and the Accounting Auditor to exchange opinions.

Directors and employees reported on matters designated by the Audit & Supervisory Board, as well as on other important matters.

In Japan, Audit & Supervisory Board Members met on a periodic basis with the Audit & Supervisory Board Members of individual subsidiaries. Overseas, Audit & Supervisory Board Members attended meetings of the Board of Directors of regional headquarters, as well as conducted field audits of individual subsidiaries, taking into account materiality and risk.

## **Reference Corporate Governance**

### **1 Basic Approach to Corporate Governance**

The DIC Group defines corporate governance as a mechanism to ensure effective decision making pertaining to its management policy of achieving sustainable corporate growth and expansion through sound and efficient management, while at the same time guaranteeing the appropriate monitoring and assessment of and motivation for management's execution of business activities. With the aim of achieving a higher level of trust with our shareholders, customers and other stakeholders and enhancing corporate value, the DIC Group also promotes ongoing measures to reinforce its management system and ensure effective monitoring thereof.

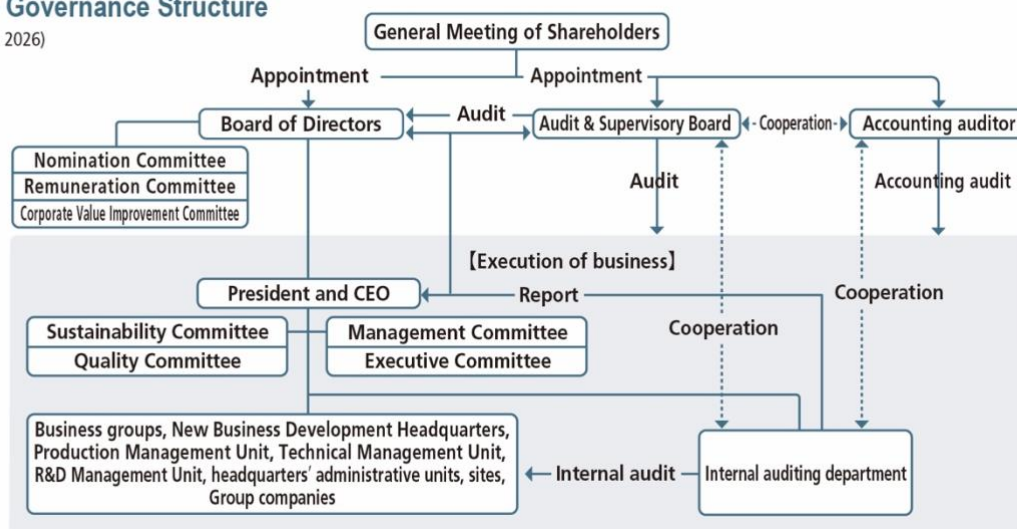
The Company has prepared and disclosed a Policy on Corporate Governance to explain its basic approach to corporate governance.

For more information of the Policy on Corporate Governance, please refer to the Company's website:  
[https://www.dic-global.com/pdf/ir/management/governance/governance\\_en.pdf](https://www.dic-global.com/pdf/ir/management/governance/governance_en.pdf)

### **2 Outline of the Company's Corporate Governance**

#### **Corporate Governance Structure**

(As of January 1, 2026)



As a company with Audit & Supervisory Board Members, the Company has a Board of Directors and an Audit & Supervisory Board. It has also instituted an executive officer system, a move aimed at separating decision making and implementation and thereby accelerating business execution and clarifying responsibilities. The Company has also established a Nomination Committee, Remuneration Committee, Corporate Value Improvement Committee, Management Committee, Executive Committee, Sustainability Committee and Quality Committee.

#### **1) Board of Directors**

From the perspective of making business decisions in a timely manner and reinforcing corporate governance, the Board of Directors consists of nine Directors, four of whom are Outside Directors (two of whom are female). The Board of Directors typically meets once a month to make decisions on matters delegated to it under the Companies Act and on important business matters stated in the regulations for meetings of the Board of Directors, as well as to receive status reports on the execution of business operations and supervise the execution of the business.



## 2) **Nomination Committee**

To ensure objectivity in the nomination of Directors, Audit & Supervisory Board Members and Executive Officers, among others, the Company has established a Nomination Committee, which provides recommendations to the Board of Directors regarding the appointment and dismissal of Directors, Audit & Supervisory Board Members and Executive Officers. The Nomination Committee consists of six Directors, four of whom are Independent Outside Directors, with an Independent Outside Director serving as Chairman.

## 3) **Remuneration Committee**

To ensure objectivity in the determination of remuneration for Directors and Executive Officers, the Company has established a Remuneration Committee, which has been entrusted with responsibility for determining remuneration, among others, for Directors and Executive Officers. The Remuneration Committee consists of six Directors, four of whom are Independent Outside Directors, with an Independent Outside Director serving as Chairman.



## 4) **Corporate Value Improvement Committee**

The Corporate Value Improvement Committee was established to explore the role of companies in society from a high-level, broad viewpoint and advise the Board of Directors from a third-party perspective regarding the improvement of corporate value over the long term. The committee consists of four Outside Directors and depending on the theme invites external experts to serve as advisors.



## 5) **Management Committee**

The Management Committee, established in January 2026, advises on matters deliberated by the Executive Committee that are considered particularly important, including business withdrawals and M&As, and meets twice monthly in principle. The committee consists of executive officers and other individuals appointed by the Board of Directors. As part of the auditing process, one Audit & Supervisory Board member also attends Management Committee meetings. Details of deliberations at meetings and the results thereof are reported to the Board of Directors.

## **6) Executive Committee**

Established as a body to advise on important matters related to the execution of business, the Executive Committee meets twice monthly in principle. The Executive Committee consists of Executive Officers and others appointed by the Board of Directors. As part of the auditing process, one Audit & Supervisory Board Member also attends Executive Committee meetings. Details of deliberations at meetings and the results thereof are reported to the Board of Directors.

## **7) Sustainability Committee**

The Sustainability Committee, which functions as an advisory body, meets several times annually to formulate sustainability policies and activity plans, as well as to evaluate and promote sustainability initiatives. The Sustainability Committee consists of Executive Officers and others designated by the Board of Directors. As part of the auditing process, one Audit & Supervisory Board Member also attends Sustainability Committee meetings. Details of deliberations at meetings and the results thereof are reported to the Board of Directors.

## **8) Quality Committee**

In addition to reporting on the status and progress of quality management, the Quality Committee functions as a deliberative body for the DIC Group's quality policies, principal initiatives and important issues. In principle, the Committee meets once quarterly. The Quality Committee consists of Executive Officers and others designated by the Board of Directors. As part of the auditing process, one Audit & Supervisory Board Member also attends Quality Committee meetings. Details of deliberations at meetings and the results thereof are reported to the Board of Directors.

## **9) Audit & Supervisory Board**

The Audit & Supervisory Board comprises four members, including two Outside Members (one of whom is female). In principle, the Audit & Supervisory Board meets once monthly. Board activities include debating and determining auditing policies and auditing plans. Members also report on the results of audits conducted, as well as attend important meetings, including those of the Board of Directors, the Management Committee, the Executive Committee and the Sustainability Committee, meet with Representative Directors on a periodic basis to exchange information and opinions, and collect business reports from Directors, Executive Officers and employees. In addition, the Company has established an Audit & Supervisory Board Members' Office, to which it assigns dedicated personnel to assist the Audit & Supervisory Board Members in their duties.

## **3 Regarding Related Party Transactions**

Because shareholders have strong interest in related party transactions, we explain below our group's approach to related party transactions and the process for reviewing transaction details.

### **1) Basic approach to related party transactions**

Pursuant to Article 5, Paragraph 1 of the "Corporate Governance Policy," we verify each year whether related party transactions are conducted on fair and reasonable terms and report the findings to the Board of Directors.

\* Article 5, Paragraph 1 of the "Corporate Governance Policy":

The Board of Directors shall monitor transactions with related parties in the DIC Group after receiving a report that the conditions

are fair and reasonable, through designated procedures such as the comparison of transactional terms with independent third parties at the time of the initiation of the transaction and at periodic intervals.

## 2) Process for confirming transaction details

① The operating division responsible for executing transactions compiles one year's worth of transaction details and terms, verifies the appropriateness of related-party transactions, and reports the results to the General Affairs Department, which is the oversight division.

② The General Affairs Department will examine the reports from the above departments and confirm, among other things, the appropriateness of the transactions as follows.

- Whether the sales of manufactured products have margin rates for each product that are reasonable compared with other customers.
- Whether purchases of raw materials, containers, etc., have advantages compared with purchases from other suppliers.
- Whether rents for buildings and the like are advantageous compared with surrounding market rates.

③ The Internal Audit Department will verify the General Affairs Department's findings, and the Audit & Supervisory Board Members will review the Internal Audit Department's verification results.

④ The Board of Directors will receive a report from the General Affairs Department regarding the above, review the process and content, and assess the necessity of the related-party transaction and the reasonableness of its terms.

## Consolidated Financial Statements

### Consolidated Balance Sheet

(Millions of yen)

Accounts	Current Fiscal Year As of December 31, 2025	Previous Fiscal Year As of December 31, 2024 (Reference)	Accounts	Current Fiscal Year As of December 31, 2025	Previous Fiscal Year As of December 31, 2024 (Reference)
<b>(Assets)</b>			<b>(Liabilities)</b>		
<b>I Current assets</b>	<b>627,550</b>	<b>607,506</b>	<b>I Current liabilities</b>	<b>386,545</b>	<b>333,071</b>
Cash and deposits	68,909	61,869	Notes and accounts payable - trade	127,763	138,448
Notes and accounts receivable - trade	231,445	229,744	Short-term loans payable	6,663	26,732
Merchandise and finished goods	189,295	169,546	Commercial papers	15,000	—
Work in process	11,275	11,819	Current portion of bonds payable	5,000	10,000
Raw materials and supplies	96,996	99,218	Current portion of long-term loans payable	119,584	54,521
Other	34,521	40,229	Lease liabilities	5,113	5,161
Allowance for doubtful accounts	(4,890)	(4,919)	Income taxes payable	4,384	4,485
<b>II Non-current assets</b>	<b>646,541</b>	<b>618,927</b>	Provision for bonuses	6,232	5,510
<b>Property, plant and equipment</b>	<b>371,094</b>	<b>364,141</b>	Other	96,807	88,214
Buildings and structures	138,898	133,918	<b>II Non-current liabilities</b>	<b>396,702</b>	<b>472,748</b>
Machinery, equipment and vehicles	140,317	135,666	Bonds payable	95,000	100,000
Tools, furniture and fixtures	14,057	16,446	Long-term loans payable	198,909	277,617
Land	57,151	57,780	Lease liabilities	13,004	10,301
Construction in progress	20,671	20,330	Deferred tax liabilities	29,374	20,474
<b>Intangible assets</b>	<b>62,140</b>	<b>67,494</b>	Net defined benefit liability	31,624	32,898
Goodwill	17,140	17,394	Asset retirement obligations	10,518	9,618
Software	11,108	14,142	Other	18,273	21,839
Customer-related assets	10,735	10,676	<b>Total liabilities</b>	<b>783,247</b>	<b>805,819</b>
Other	23,157	25,281	<b>(Net assets)</b>		
<b>Investments and other assets</b>	<b>213,307</b>	<b>187,293</b>	<b>I Shareholders' equity</b>	<b>399,151</b>	<b>376,301</b>
Investment securities	63,320	60,085	Capital stock	96,557	96,557
Deferred tax assets	14,923	16,160	Capital surplus	94,234	94,234
Net defined benefit asset	116,409	88,774	Retained earnings	209,865	187,008
Other	18,719	22,339	Treasury shares	(1,505)	(1,498)
Allowance for doubtful accounts	(64)	(65)	<b>II Accumulated other comprehensive income</b>	<b>71,729</b>	<b>25,119</b>
<b>Total assets</b>	<b>1,274,091</b>	<b>1,226,433</b>	Valuation difference on available-for-sale securities	3,886	3,924
			Deferred gains or losses on hedges	334	515
			Foreign currency translation adjustment	64,151	34,587
			Remeasurements of defined benefit plans	3,358	(13,907)
			<b>III Non-controlling interests</b>	<b>19,963</b>	<b>19,194</b>
			<b>Total net assets</b>	<b>490,844</b>	<b>420,615</b>
			<b>Total liabilities and net assets</b>	<b>1,274,091</b>	<b>1,226,433</b>

## Consolidated Statement of Income

(Millions of yen)

Accounts	Current Fiscal Year Ended December 31, 2025	Previous Fiscal Year Ended December 31, 2024 (Reference)
<b>I Net sales</b>	<b>1,052,194</b>	<b>1,071,127</b>
<b>II Cost of sales</b>	<b>824,227</b>	<b>848,929</b>
<b>Gross profit</b>	<b>227,967</b>	<b>222,198</b>
<b>III Selling, general and administrative expenses</b>	<b>175,775</b>	<b>177,677</b>
<b>Operating income</b>	<b>52,192</b>	<b>44,521</b>
<b>IV Non-operating income</b>	<b>8,555</b>	<b>9,017</b>
Interest income	2,807	3,491
Dividends income	267	627
Equity in earnings of affiliates	3,871	3,257
Other	1,610	1,642
<b>V Non-operating expenses</b>	<b>16,498</b>	<b>15,633</b>
Interest expenses	6,338	8,481
Foreign exchange losses	5,121	2,859
Other	5,038	4,293
<b>Ordinary income</b>	<b>44,250</b>	<b>37,905</b>
<b>VI Extraordinary income</b>	<b>14,673</b>	<b>12,407</b>
Gain on sales of works of art	6,874	—
Gain on sales of shares and investments in capital of subsidiaries and affiliates	4,843	1,279
Gain on sales of non-current assets	1,197	7,001
Insurance claim income	1,171	—
Gain on sales of investment securities	589	4,127
<b>VII Extraordinary losses</b>	<b>7,289</b>	<b>12,635</b>
Loss on disposal of non-current assets	2,131	3,242
Severance costs	1,976	3,886
Impairment losses	1,259	194
Provision for environmental measures	1,096	—
Loss on sales of shares and investments in capital of subsidiaries and affiliates	506	4,513
Loss on liquidation of subsidiaries and affiliates	321	—
Loss on withdrawal from business	—	486
Provision for product warranties	—	315
<b>Income before income taxes</b>	<b>51,634</b>	<b>37,677</b>
Income taxes - current	15,099	13,807
Income taxes - deferred	3,323	1,630
<b>Net income</b>	<b>33,212</b>	<b>22,240</b>
Net income attributable to non-controlling interests	859	926
<b>Net income attributable to owners of the parent</b>	<b>32,353</b>	<b>21,313</b>

## Non-Consolidated Financial Statements

### Non-Consolidated Balance Sheet

(Millions of yen)

Accounts	Current Fiscal Year As of December 31, 2025	Previous Fiscal Year As of December 31, 2024 (Reference)	Accounts	Current Fiscal Year As of December 31, 2025	Previous Fiscal Year As of December 31, 2024 (Reference)
<b>(Assets)</b>			<b>(Liabilities)</b>		
<b>I Current assets</b>	<b>150,149</b>	<b>163,440</b>	<b>I Current liabilities</b>	<b>202,267</b>	<b>233,721</b>
Cash and deposits	6,006	13,460	Electronically recorded obligations	9,668	10,327
Notes receivable - trade	1,002	2,442	Accounts payable - trade	63,833	71,676
Electronically recorded monetary claims	6,094	4,965	Short-term loans payable	86,703	116,031
Accounts receivable - trade	55,360	57,675	Commercial papers	15,000	—
Merchandise and finished goods	31,692	30,508	Current portion of bonds payable	5,000	10,000
Work in process	5,464	6,087	Accounts payable - other	14,858	17,751
Raw materials and supplies	11,052	11,564	Income taxes payable	631	566
Advance payments - trade	334	1,607	Provision for bonuses	4,935	4,288
Prepaid expenses	2,113	2,232	Provision for directors' bonuses	97	83
Short-term loans receivable	5,341	5,010	Provision for environmental measures	1	1
Accounts receivable - other	24,266	27,139	Provision for product warranties	—	124
Other	1,533	757	Accrued expenses	732	582
Allowance for doubtful accounts	(106)	(6)	Advances received	141	117
<b>II Non-current assets</b>	<b>666,599</b>	<b>708,722</b>	Deposits received	164	175
<b>Property, plant and equipment</b>	<b>93,706</b>	<b>96,499</b>	Asset retirement obligations	—	136
Buildings	29,898	31,130	Other	503	1,865
Structures	7,094	7,251	<b>II Non-current liabilities</b>	<b>282,570</b>	<b>314,888</b>
Machinery and equipment	24,712	26,348	Bonds payable	95,000	100,000
Vehicles	199	82	Long-term loans payable	179,800	209,800
Tools, furniture and fixtures	4,767	5,376	Long-term income taxes payable	7	—
Land	25,341	25,384	Provision for retirement benefits	12	33
Construction in progress	1,695	928	Provision for stock payments	695	568
<b>Intangible assets</b>	<b>11,863</b>	<b>14,972</b>	Provision for loss on business of subsidiaries and affiliates	224	192
Goodwill	1,011	1,077	Provision for environmental measures	145	146
Software	10,644	13,626	Asset retirement obligations	638	638
Other	207	270	Deferred tax liabilities	3,615	933
<b>Investments and other assets</b>	<b>561,030</b>	<b>597,251</b>	Other	2,433	2,578
Investment securities	6,672	7,127	<b>Total liabilities</b>	<b>484,837</b>	<b>548,609</b>
Stocks of subsidiaries and affiliates	453,425	492,464	<b>(Net assets)</b>		
Investments in capital of subsidiaries and affiliates	32,246	32,246	<b>I Shareholders' equity</b>	<b>344,064</b>	<b>333,856</b>
Long-term loans receivable	4,234	3,925	<b>Capital stock</b>	<b>96,557</b>	<b>96,557</b>
Prepaid pension cost	49,865	44,400	<b>Capital surplus</b>	<b>94,156</b>	<b>94,156</b>
Other	14,734	17,236	Legal capital surplus	94,156	94,156
Allowance for doubtful accounts	(146)	(146)	<b>Retained earnings</b>	<b>154,857</b>	<b>144,642</b>
<b>Total assets</b>	<b>816,748</b>	<b>872,162</b>	Other retained earnings		
			Reserve for tax deferment of subsidies	44	53
			Reserve for tax deferment of insurance gains	128	136
			Reserve for tax deferment of capital gains from eminent domain	724	753
			Reserve for reduction entry of replaced property	3,088	3,296
			Retained earnings brought forward	150,873	140,403
			<b>Treasury shares</b>	<b>(1,505)</b>	<b>(1,498)</b>
			<b>II Valuation and translation adjustments</b>	<b>(12,153)</b>	<b>(10,302)</b>
			<b>Valuation difference on available-for-sale securities</b>	<b>3,249</b>	<b>3,424</b>
			<b>Deferred gains or losses on hedges</b>	<b>(15,402)</b>	<b>(13,726)</b>
			<b>Total net assets</b>	<b>331,912</b>	<b>323,553</b>
			<b>Total liabilities and net assets</b>	<b>816,748</b>	<b>872,162</b>

## Non-Consolidated Statement of Income

(Millions of yen)

Accounts	Current Fiscal Year Ended December 31, 2025	Previous Fiscal Year Ended December 31, 2024 (Reference)
<b>I Net sales</b>	<b>254,895</b>	<b>258,390</b>
<b>II Cost of sales</b>	<b>206,183</b>	<b>209,939</b>
<b>Gross profit</b>	<b>48,712</b>	<b>48,451</b>
<b>III Selling, general and administrative expenses</b>	<b>40,085</b>	<b>40,004</b>
<b>Operating income</b>	<b>8,627</b>	<b>8,448</b>
<b>IV Non-operating income</b>	<b>14,865</b>	<b>17,151</b>
Interest income	446	393
Dividends income	13,796	15,662
Foreign exchange gains	161	432
Other	461	664
<b>V Non-operating expenses</b>	<b>4,898</b>	<b>3,806</b>
Interest expenses	2,643	2,210
Loss on valuation of investments in capital	1,006	—
Other	1,250	1,596
<b>Ordinary income</b>	<b>18,593</b>	<b>21,792</b>
<b>VI Extraordinary income</b>	<b>8,164</b>	<b>17,020</b>
Gain on sales of non-current assets	—	3,954
Gain on sales of shares and investments in capital of subsidiaries and affiliates	858	8,939
Gain on sales of works of art	6,874	—
Gain on sales of investment securities	432	4,127
<b>VII Extraordinary losses</b>	<b>3,507</b>	<b>1,045</b>
Loss on disposal of non-current assets	481	1,017
Impairment losses	68	28
Loss on valuation of shares of subsidiaries and affiliates	2,958	—
<b>Income before income taxes</b>	<b>23,250</b>	<b>37,767</b>
Income taxes - current	814	(12)
Income taxes - deferred	2,725	1,602
<b>Net income</b>	<b>19,711</b>	<b>36,176</b>

## Audit Reports

### Audit Report of the Accounting Auditor for the Consolidated Financial Statements

#### (TRANSLATION)

#### INDEPENDENT AUDITOR'S REPORT

February 26, 2026

To the Board of Directors of DIC Corporation:

Deloitte Touche Tohmatsu LLC Tokyo office

Designated Engagement Partner, Certified Public Accountant:

Takaya Otake

Designated Engagement Partner, Certified Public Accountant:

Yuichi Asai

#### Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of DIC Corporation and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of December 31, 2025, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from January 1, 2025 to December 31, 2025, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



## **(TRANSLATION)**

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

**(TRANSLATION)**

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

**(TRANSLATION)**

**INDEPENDENT AUDITOR'S REPORT**

February 26, 2026

To the Board of Directors of DIC Corporation:

Deloitte Touche Tohmatsu LLC Tokyo office

Designated Engagement Partner, Certified Public Accountant:

Takaya Otake

Designated Engagement Partner, Certified Public Accountant:

Yuichi Asai

**Opinion**

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of DIC Corporation (the "Company"), namely, the nonconsolidated balance sheet as of December 31, 2025, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 128th fiscal year from January 1, 2025 to December 31, 2025, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## **(TRANSLATION)**

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

## **(TRANSLATION)**

- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

### Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in this report are not included in the attached financial documents. In addition, the other information in "the Business Report and the accompanying supplemental schedules" referred to in the "Information Other than the Financial Statements and Auditor's Report Thereon" section of this English translation is not translated.

## AUDIT REPORT

The Audit & Supervisory Board has prepared this audit report following deliberations based on the audit reports prepared by each Audit & Supervisory Board Member pertaining to the conduct of the Directors in the performance of their duties during the 128th fiscal year from January 1, 2025 to December 31, 2025 and hereby reports as follows:

### 1. Methods and Contents of the Audit by the Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board established the audit policies, the audit plan and other matters, and received reports from each Audit & Supervisory Board Member regarding the status of audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors and senior executives and the Accounting Auditor regarding the performance of their duties and requested explanations as necessary.
- (2) In conformity with the Audit & Supervisory Board Member's auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies and audit plans, each Audit & Supervisory Board Member endeavored to communicate with the Directors, internal audit departments and other relevant employees, endeavored to collect information and maintain and improve the audit environment and conducted audit with the methods described below;
  - ① Each Audit & Supervisory Board Member attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and relevant employees, requested explanations as necessary, examined important documents regarding decisions and approvals made and inspected the status of the operations and property at the head office and other principal business locations. With respect to subsidiaries, each Audit & Supervisory Board Member endeavored to communicate with and exchanged information with the Directors, the Audit & Supervisory Board Members and relevant employees of the subsidiary, received reports on their business, and investigated the status of their operations and property as necessary.
  - ② In order to ensure the adequacy of establishment and maintenance of an internal control system that is set forth in the Companies Act of Japan, each Audit & Supervisory Board Member received reports of the Board of Directors' resolution and the status of establishment and operation of the system from the Directors and relevant employees, requested explanations as necessary and expressed opinions. On internal controls of the DIC Group consisting of DIC Corporation and its subsidiaries, each Audit & Supervisory Board Member received reports from the Directors and relevant employees of the subsidiaries and requested explanations as necessary.
  - ③ Each Audit & Supervisory Board Member monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audits, received reports from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the Accounting Auditor that it had established "a system to ensure that the performance of the duties of the Accounting Auditor" provided by the Companies Act is being properly conducted in accordance with the "Quality Control Standards for Audits" constituted by the Business Accounting Council, and requested explanations as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the business report and the accompanying supplementary schedules, the non-consolidated financial statements and the annexed detailed statements as well as the consolidated financial statements, for the fiscal year under consideration.

## 2. Results of Audit

### (1) Results of Audit of the Business Report and Other Relevant Documents

- ① We acknowledge that the business report and the accompanying supplemental schedules fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
- ② We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company was found in connection with the Directors' performance of their duties.
- ③ We acknowledge that the Board of Directors' resolutions with respect to the internal control system are appropriate. We did not find any matter to be mentioned with respect to the description in the business report and the Directors' performance of their duties concerning the internal control system.

### (2) Results of Audit of Non-Consolidated Financial Statements and Annexed Detailed Statement

We acknowledge that the methods and results of the audit performed by the Accounting Auditor, Deloitte Touche Tohmatsu LLC are appropriate.

### (3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of the audit performed by the Accounting Auditor, Deloitte Touche Tohmatsu LLC are appropriate.

February 26, 2026

The Audit & Supervisory Board of DIC Corporation

Toshinobu Kitamura	Audit & Supervisory Board Member (Full-time)	[Seal]
Hiroyuki Ninomiya	Audit & Supervisory Board Member (Full-time)	[Seal]
Keita Nagura	Audit & Supervisory Board Member (Independent)	[Seal]
Keiko Kishigami	Audit & Supervisory Board Member (Independent)	[Seal]



- 1** Audit & Supervisory Board Member (Full-time)  
**Toshinobu Kitamura**
- 2** Audit & Supervisory Board Member (Full-time)  
**Hiroyuki Ninomiya**
- 3** Audit & Supervisory Board Member (Independent)  
**Keita Nagura**
- 4** Audit & Supervisory Board Member (Independent)  
**Keiko Kishigami**

