



February 16, 2026

| | |
|----------------|--|
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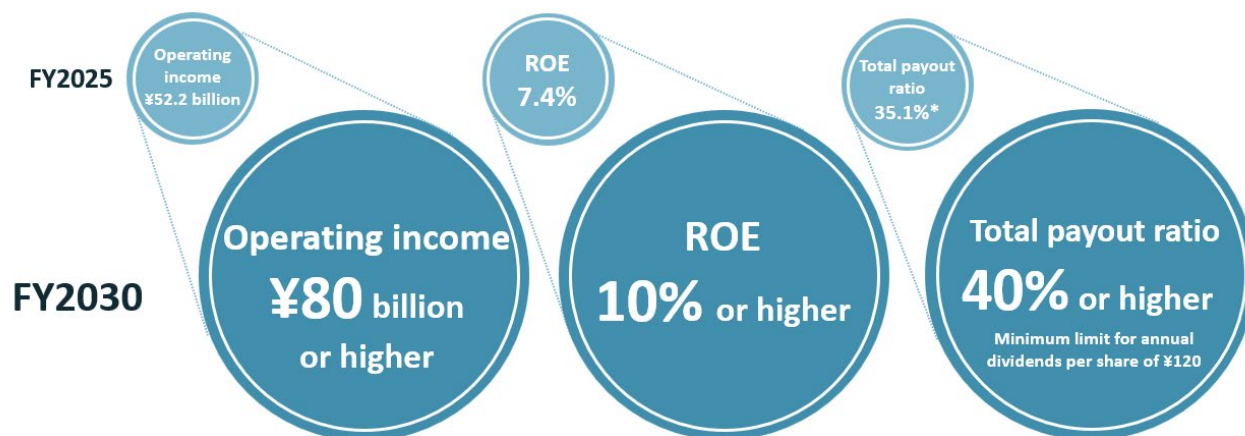
Notice Regarding the Formulation of DIC Vision 2030 Phase 2

DIC Corporation announced today that it has formulated Phase2 of its DIC Vision 2030 long-term management plan. As the final push toward achieving the goals of the plan, originally introduced on February 18, 2022, Phase2 begins in fiscal year 2026 and will conclude in fiscal year 2030.

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.

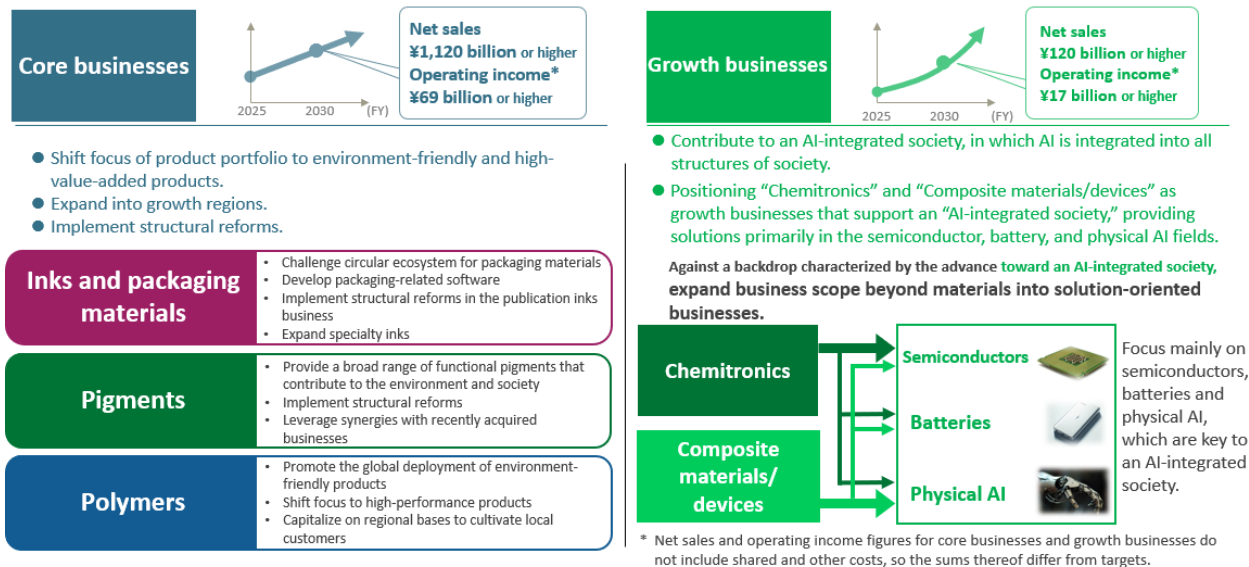
Commitments for Fiscal Year 2030



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

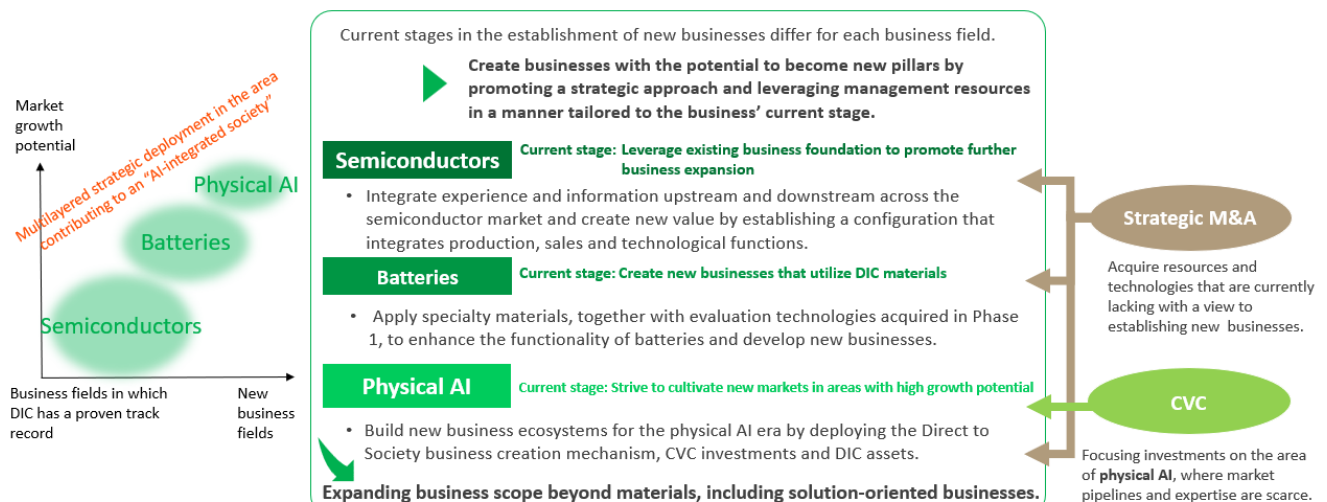
2. Target business portfolio

- DIC 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. DIC 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.

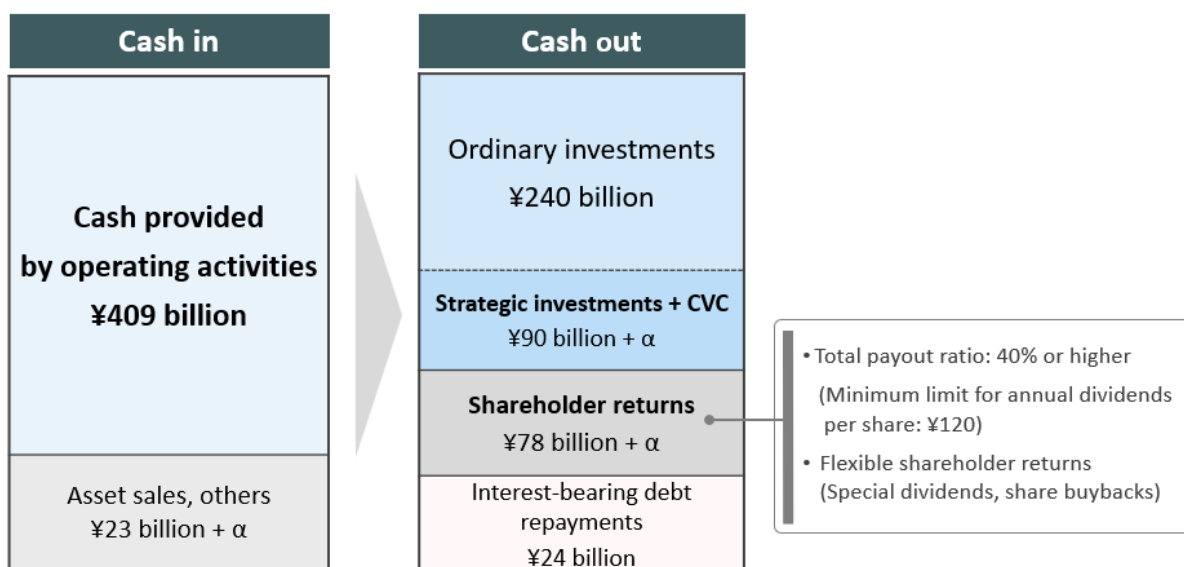


4. Financial targets and KPIs

| (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)



– Ends –

For more information on DIC Vision 2030 Phase 2, please refer to the attached materials.

DIC Vision 2030

Long-Term Management Plan (Fiscal Years 2022–2030)

Phase 2 (Fiscal Years 2026–2030)

February 16, 2026

Takashi Ikeda

Representative Director, President and CEO



DIC Corporation

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A Message from the President and CEO

In Phase 1 of DIC Vision 2030, we succeeded in restoring our core businesses to profitability, securing a foothold in growth areas and consistently achieving our near-term targets. In Phase 2, the first year of which is fiscal year 2026, we will further evolve our business model with the aim of driving dramatic growth and enhancing corporate value, including by enhancing shareholder returns.

▶ Promote the qualitative transformation of core businesses and accelerate the expansion of growth businesses

Through ongoing structural reforms and portfolio transformation, we will work to enhance the profitability of our core businesses. At the same time, we will allocate resources to growth businesses in a focused and timely manner to encourage balanced and dependable business expansion.

Moreover, by deploying our Direct to Society* business creation mechanism, we will advance the development of solutions-based businesses in the areas of semiconductors, batteries and physical AI.

▶ Address risks through multitrack strategies

In addition to seeking organic growth, we will concurrently advance strategies targeting inorganic growth, such as through M&As and corporate venture capital (CVC). At the same time, we will also bolster contingency plans, including bold restructuring measures that can be activated in times of uncertainty. Through the simultaneous and multilayered pursuit of multiple strategies, we will endeavor to ensure the reliable achievement of our plans despite increasing uncertainties in our operating environment.

▶ Maximizing cash generation by improving capital efficiency

We will endeavor to enhance capital efficiency across the DIC Group by accelerating decision making at the business unit level while also integrating Groupwide management functions. By rigorously enforcing our cash allocation policies, we will strengthen our cash generation capabilities.

▶ Augmenting returns to all stakeholders

In addition to enhancing shareholder returns, we will implement sustainability initiatives that aim to help realize sustainability for society, as well as promote a social contribution program centered on the fine arts.

Phase 1 of DIC Vision 2030 emphasized foundation building. Phase 2 will mark a shift in our emphasis toward the expansion of investments in growth areas.

While remaining firmly grounded in our identity as a producer of chemical materials, we will actively transition toward solutions-oriented businesses, including software and services, in anticipation of future technological advances. Through the effective execution of our strategies, we will strive to progress as a provider of new value.

*Direct to Society: See page 29.



President and CEO, DIC Corporation **Takashi Ikeda**

1

DIC Vision 2030

Long-term management plan



Basic Policy

- Looking ahead to fiscal year 2030, DIC is working to contribute to a society that is increasingly green, digital and quality of life (QOL)-oriented by concentrating management resources on areas that leverage its strengths, and to ensure the achievement of its vision for DIC in the future.

- DIC Vision 2030 basic policy: Established in line with DIC's vision statement, DIC Vision 2030's basic policy will guide efforts to enhance corporate value.

Vision statement

We improve the human condition by safely delivering color and comfort for sustainable prosperity
—Color & Comfort

We deliver greater value that transcends the traditional constraints of chemicals manufacturing, improving the human condition and promoting sustainability for a brighter future.

DIC Vision 2030 basic policy

Safely delivering Color & Comfort for sustainable prosperity to enhance shareholder value and long-term corporate value

- DIC in the future

Business portfolio transformation

Build a business portfolio that contributes to sustainable prosperity for society

- Expand businesses in growth markets and create new businesses
- Expand selection of sustainable products with the aim of contributing to a society that is increasingly green, digital and QOL-oriented and of enhancing corporate value

Contribution to sustainability

Help achieve sustainability for the global environment and for society

- Advance sustainability strategies to help realize a carbon-neutral society

- Positioning of Phase 1 and Phase 2

Phase 1 Foundation building

Phase 2 Realization of DIC Vision 2030

- Initial and revised targets

Initial targets
 (Announced in February 2022)

Net sales: ¥1,300 billion; operating income: ¥120 billion

Revised targets

Net sales: ¥1,240 billion or higher; operating income: ¥80 billion or higher

2

Review of Phase 1 (Fiscal Years 2022–2025)



Repost: Revision of DIC Vision 2030 Phase 1 Targets “Background to the Revision of Targets” (February 13, 2024)

Background to the Revision of Targets

- While the vision for DIC in the future and the basic policy of DIC Vision 2030 remain essentially unchanged, **targets for Phase 1***, ending in fiscal year 2025, have been adjusted in light of delays in the execution of plans and recent changes in the business environment.

Background to revision

- Dispersal of management resources in new growth businesses and delays in selecting from among diverse themes
- New risks and changes in the business environment
 - Rising inflation worldwide and soaring costs due to high resource prices
 - Economic decline in the People’s Republic of China (PRC) and Europe
 - Increasing geopolitical risks arising from, among others, Russia’s invasion of Ukraine

- New growth businesses have not become profitable as quickly as envisaged.
- Development and investment costs are rising.

- Realization of the expected benefits of acquisitions has been held up. – it takes time to realize the benefits of rationalization.
- Existing businesses have stagnated.

Phase 1 targets

| (Billions of yen) | FY2025 (Final Year of Phase 1) | |
|-------------------|--------------------------------|-----------------|
| | Original targets | Revised targets |
| Net sales | ¥1,100 | ▶ ¥1,150 |
| Operating income | ¥80 | ▶ ¥40 |

Address challenges currently faced and realize vision for DIC in the future

Targets for final year of plan

Targets will be carefully reviewed and will be disclosed at the formulation stage of Phase 2 **.

Initial Targets for FY2030 (Reference)

| | |
|------------------|----------------|
| Net sales | ¥1,300 billion |
| Operating income | ¥120 billion |

* Phase 1 of DIC Vision 2030: Foundation building phase (Fiscal years 2022–2025)

** Phase 2 of DIC Vision 2030: Phase for realizing vision for DIC (Fiscal years 2026–2030)

Targets and Actual Results for Fiscal Year 2025 (Final Year of Phase 1)

- Due to heightened concerns about the economic outlook caused by U.S. tariffs, demand fell short of initial expectations, as a consequence of which net sales were below the target.
- The revised target* for operating income was achieved, thanks to efforts to, among others, expand sales of high-value-added products, ensure appropriate pricing and reduce costs.

| FY2025 (final year of Phase 1) targets and actual results | | | (Billions of yen/%) | | |
|---|----------|---------|---|---------------|----------------|
| | 2025 | | Row: Upper: Net sales Lower: Operating income | 2025 | |
| | Targets* | Actual | | Targets* | Actual |
| Net sales | 1,150 | 1,052.2 | | | |
| Operating income | 40 | 52.2 | Packaging & Graphic | 574.8 29.4 | 5,49.7 31.1 |
| Net income attributable to owners of the parent | 24 | 32.4 | Color & Display | 273.1 6.1 | 247.5 5.0 |
| EBITDA | 102 | 109.3 | Functional Products | 302.7 21.0 | 290.9 23.1 |
| Return on invested capital (ROIC) (%) | 4.2% | 4.4% | | | |
| Net debt-to-equity (D/E) ratio (Times) | 1.0 | 0.8 | | | |

| Overview by segment | |
|---------------------|---|
| Packaging & Graphic | <ul style="list-style-type: none"> Shipments of packaging materials were sluggish, particularly in the Americas and Europe, but efforts to maintain sales prices by ensuring stable supplies and services were successful. Sales of specialty inks, which center on jet inks and security inks, were strong. |
| Color & Display | <ul style="list-style-type: none"> Structural reforms in recently acquired businesses progressed steadily, despite slight delays, underpinning profitability in the pigments business in the Americas and Europe. Sales volume flagged, owing to declining demand, notably in Europe, as a result of which segment operating income fell short of the target. |
| Functional Products | <ul style="list-style-type: none"> Bolstered by robust shipments of high-value-added products used in electronics equipment, particularly in the area of chemitronics, operating income significantly exceeded the target. |

* Targets for consolidated net sales and operating income are revised targets published in February 2024. Targets for consolidated net income attributable to owners of the parent, EBITDA, ROIC, net D/E ratio, and segment net sales and operating income are those published as part of the Company's fiscal year 2024 full-term operating results announcement (February 2025).

Review of Initiatives Implemented in Phase 1

- Initiatives focused on accelerating business portfolio transformation by ensuring the appropriate allocation of management resources and implementing structural reforms and on improving capital efficiency.

Strengthening of the profitability of core businesses^{*1}

- Narrowed selection of themes and enhanced the product portfolio by developing high-value-added, sustainable products
- Promoted structural reforms
 - Acquired Guangdong TOD New Materials Co., Ltd.:^{*2} Expanded sales of coating resins to local customers and secured a production base for waterborne resins
 - Acquired Sapici S.p.A.: Strengthened environmental responsiveness by gaining ultralow monomer (ULM) technology^{*3} and securing a base for the adhesives business in Europe
 - Began operating closed-loop recycling system for polystyrene in Japanese market.
 - Publication inks: Promoted collaboration in the areas of production and logistics in Japan, the merger of production facilities and transfer of production in Asia and Oceania, and the closure of certain domestic and overseas production facilities
 - Pigments (the Americas and Europe): Merged/ shuttered production facilities and promoted labor force rationalization

Establishment of a foundation for growth businesses^{*4}

- Concentrated management resources on areas and products that leverage existing strengths and enhanced capabilities
 - Integrated organizations related to materials for semiconductors and batteries
 - Acquired a manufacturer of phenolic resins for photoresists business (PCAS Canada Inc.^{*5}) and resolved to make a capital investment in the area of epoxy resins for semiconductor substrates and sealing materials
 - Resolved to eliminate the core development theme of secondary batteries, the commercialization of which was scheduled for Phase 1, but initiated efforts to leverage evaluation technologies acquired in this area to develop and cultivate markets for battery materials that are more compatible with existing materials and technologies
 - Promoted product portfolio expansion in growth businesses (launched a resin lithium-ion battery (LiB) electrode binder and perfluoroalkyl or polyfluoroalkyl substance (PFAS)-free surfactants)

Withdrawal from unprofitable and noncore businesses

- Promoted business renewal and reallocated management resources to growth areas
 - Divested noncore business subsidiary SEIKO PMC CORPORATION^{*6} and applied proceeds to the acquisition of promising new businesses
 - Withdrew from unprofitable businesses (liquid crystal (LC) materials, housing materials, coatings for building materials, alkylphenols and glass photomasks, others.)

^{*1} Inks, packaging materials, pigments and polymers businesses

^{*2} Since renamed Guangdong DIC TOD Resins Co., Ltd.

^{*3} ULM is a resin raw material containing minimal harmful substances.

^{*4} Chemitronics and Composite materials/devices

^{*5} Since renamed Innovation DIC Chimitroniques Inc. (Canada IDC)

^{*6} Now CHEMIPAZ. Former subsidiary SEIKO PMC is a manufacturer of papermaking chemicals and resins for printing inks.

Review of Initiatives Implemented in Phase 1

Efforts to enhance corporate value

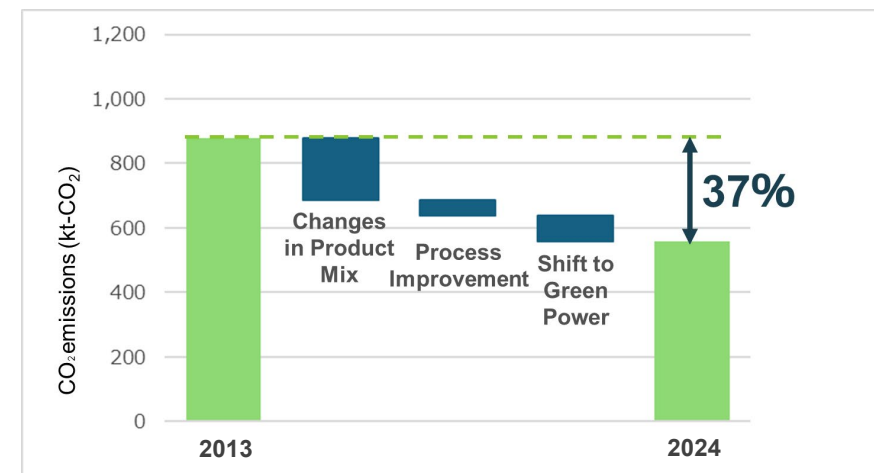
■ Initiatives to enhance corporate value and improve capital efficiency

- Clarified cash allocation policies
- Streamlined the balance sheet by reducing strategically held shares and idle assets
 - Sold non-current assets following the merger of ink production facilities in the People's Republic of China (PRC)
 - Sold non-current assets at Qingdao DIC Finechemicals Co., Ltd., concurrent with withdrawal from the LC materials business, among others
- Set minimum limit for annual dividends per share at ¥120 beginning with dividends for fiscal year 2025; simultaneously, a special dividend per share at ¥80 will be implemented that will be funded by the sale of non-current assets
- Reviewed operation of the Kawamura Memorial DIC Museum of Art

Initiatives related to sustainability strategies

■ Implemented measures to help realize a carbon-neutral society

- Concluded a comprehensive partnership agreement with the city of Yokkaichi, Mie Prefecture, aimed at promoting the realization of a circular economy in the food packaging market.
- Succeeded in reducing CO₂ emissions by 37% from the fiscal year 2013 level (as of fiscal year 2024) by, among others, shifting to green power and installing low-carbon fuel-fired boilers.



3

Overview of Phase 2 (Fiscal Years 2026–2030)

- 3-1 Basic Policy for Phase 2
- 3-2 Building a Business Portfolio That Contributes to Sustainable Prosperity for Society
 - 3-2-1 Qualitative Reforms in Core Businesses
 - 3-2-2 Establishment of Growth Businesses
 - 3-2-3 Framework Supporting Phase 2 Strategies
- 3-3 Performance Targets (Fiscal Years 2026–2030)
- 3-4 Initiatives to Enhance Corporate Value



3-1

Basic Policy for Phase 2



Operating Environment

- Amid heightened uncertainty in the global economy, particularly in the United States, emerging markets are projected to see economic expansion and key industries are expected to continue growing.

Trends in the external environment

- ✓ Rising uncertainty, particularly in the United States
- ✓ Ongoing, escalating tensions between the United States and the PRC, particularly in the area of economic security
- ✓ The PRC's expanding and deepening economic sphere, especially its growing influence in Southeast Asia
- ✓ Heightened geopolitical risks, including frequent and prolonged conflicts

Economic expansion in emerging markets

PRC: Despite an ongoing deflationary trend, the pace of growth continues to be supported by policy measures, expansion of its economic sphere, and innovation capabilities, enabling the maintenance of growth momentum.

India: While risks remain, owing to insufficient efforts to grow the manufacturing sector and the potential for conflict with neighboring countries, growth is sustained by population increases and urbanization.

Association of Southeast Asian Nations (ASEAN) member countries: Although differences exist among individual member countries, overall growth is maintained. Changes in trade relations with the United States and the entry of Chinese companies are accelerating shifts in industrial structures.

Impact of climate change

- ✓ Exacerbated temperature increases and more frequent extreme weather events
- ✓ Accelerated emissions reduction and decarbonization efforts by companies and policymakers
- ✓ The transformation of economic and industrial structures and competitive environments, including the restructuring of supply chains

Trends in key related DIC markets

◆ Packaging

- In India, Indonesia and Vietnam, markets are expected to expand, propelled by economic growth and population increases. Similar trends are anticipated in the Middle East and Africa.
- Although the PRC has experienced a population decline since 2022, economic growth is forecast to continue driving market expansion.

◆ Automobiles

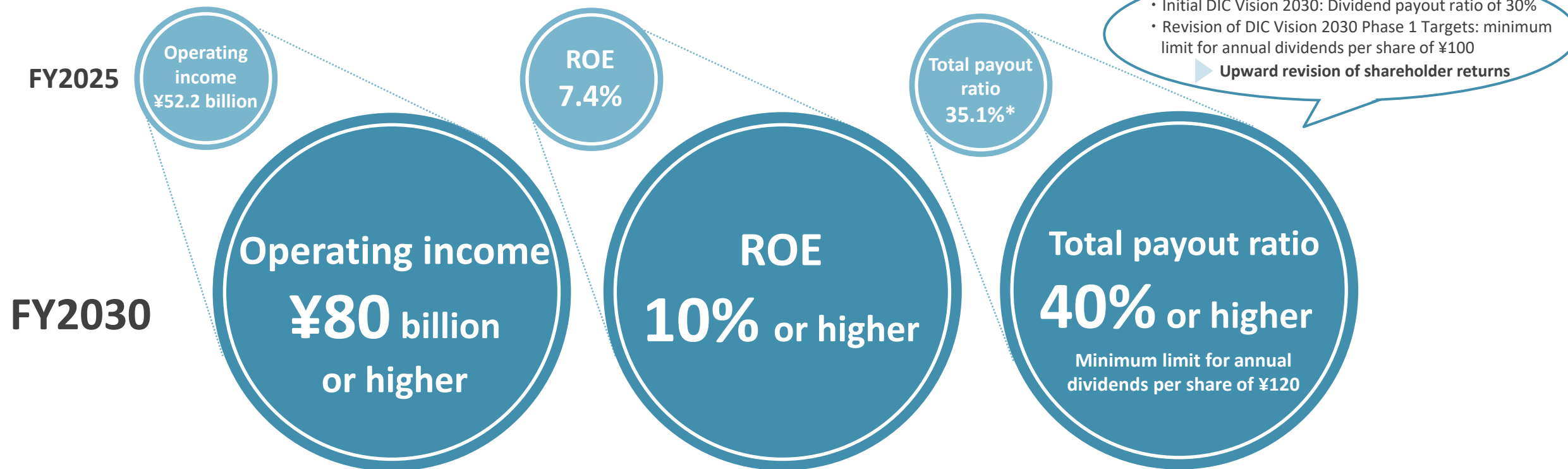
- The compound annual growth rate (CAGR) from 2025 through 2030 is expected to be around 3-4%.
- With the full-scale adoption of Connected, Autonomous, Shared and Electric (CASE) vehicles and the shift from ownership to service usage, the percentage of total vehicle sales accounted for by vehicles for private use is projected to decline. While regional differences exist, EVs are expected to reach over 30% of total global vehicle sales by fiscal year 2030.

◆ Semiconductors and AI

- The overall global semiconductor market is forecast to continue expanding, with CAGR expected to be 7–8%, as demand increases across all applications. Development and manufacturing are becoming increasingly concentrated in the United States, the PRC and Taiwan, widening competitiveness gaps with other countries.
- Physical AI, that is, the integration of AI into robots and production equipment, tangibly transforming daily life and work, is expected to expand.

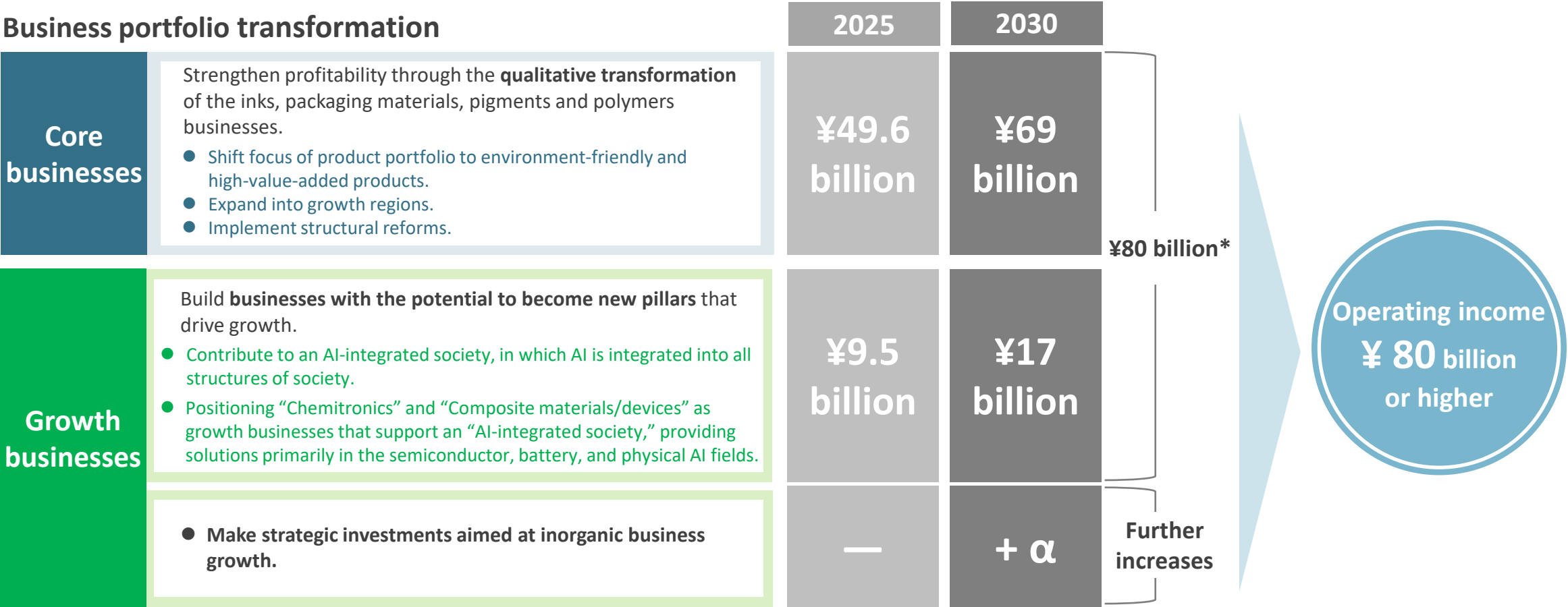
Commitments for Fiscal Year 2030

- Build a business portfolio that delivers sustainable growth and profitability.
 - ▶ Promote the qualitative transformation of core businesses and foster growth businesses.
- Bolster corporate value by improving capital efficiency and enhancing shareholder returns.



Commitments for Fiscal Year 2030

- Generate operating income of ¥80 billion by promoting the qualitative transformation of core businesses and building growth businesses.
- Strategic investments in growth businesses will **underpin further increases in operating income.**

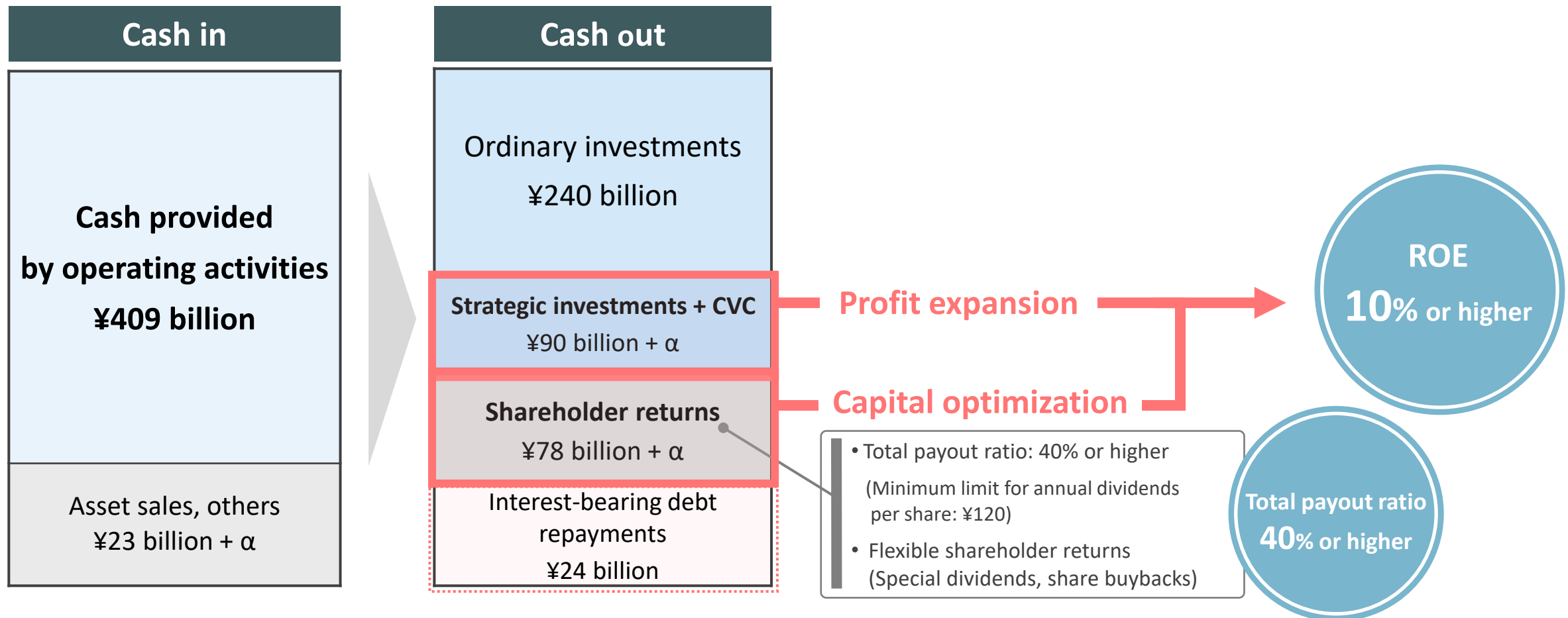


* The total for operating income (¥80 billion) includes shared and other costs and so differs from the sum of operating income targets for core and growth businesses.

Commitments for Fiscal Year 2030

- Balance allocation of cash to strategic investments—aimed at business growth and operating income expansion—and shareholder returns.

Cumulative Cash Allocation (Fiscal Years 2026–2030)



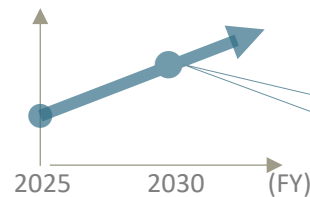
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Building a Business Portfolio That Contributes to Sustainable Prosperity for Society

Target Business Portfolio

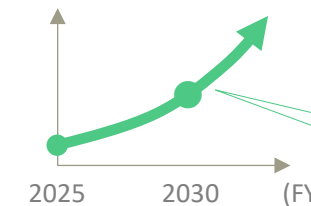
- Pursue qualitative transformation of the three core businesses that are currently pillars of profitability and foster growth businesses in areas exhibiting outstanding potential.

Core businesses



Net sales
¥1,120 billion or higher
Operating income*
¥69 billion or higher

Growth businesses



Net sales
¥120 billion or higher
Operating income*
¥17 billion or higher

Inks and packaging materials



Competitive advantages

- The only **comprehensive supplier** of packaging materials
- Leading share** of the global printing inks market

Qualitative transformation

- Challenge circular ecosystem for packaging materials
- Develop packaging-related software
- Implement structural reforms in the publication inks business
- Expand specialty inks

Pigments



Competitive advantages

- One of the world's largest** operating scales
- Extensive** product lineup
- Global** production configuration

Qualitative transformation

- Provide a broad range of functional pigments that contribute to the environment and society
- Implement structural reforms
- Leverage synergies with recently acquired businesses

Polymers



Competitive advantages

- Wide range of **environment-friendly products**
- Superior **resin design expertise**
- Production facilities in high-growth regions**

Qualitative transformation

- Promote the global deployment of environment-friendly products
- Shift focus to high-performance products
- Capitalize on regional bases to cultivate local customers

Against a backdrop characterized by the advance toward an AI-integrated society, expand business scope beyond materials into solution-oriented businesses.

Focus mainly on **semiconductors, batteries** and **physical AI**, which are key to an AI-integrated society.

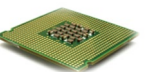
Chemitronics

Composite materials/ devices

Semiconductors

Products currently offered

- Epoxy resins
- Maleimide resins
- Bonding materials
- Hollow-fiber membrane modules , others



Batteries

- Electrode binder resins
- Insulating materials
- Functional tapes , others



Physical AI

- Robotics
- Sensor systems , others



* Net sales and operating income figures for core businesses and growth businesses do not include shared and other costs, so the sums thereof differ from targets.

3-2 Building a Business Portfolio That Contributes to Sustainable Prosperity for Society

3-2-1

Qualitative Reforms in Core Businesses



Segment Strategies (Packaging & Graphic)

Inks and packaging materials

Boasts a leading share of the global printing inks market & a comprehensive provider of packaging materials and solutions

Net Sales and
Operating Income

FY2025

¥549.7 billion
¥31.1 billion

¥625 billion
¥37 billion
or higher

FY2030

- Create value and ensure profitability by responding to social, technological and environmental changes. As a provider of sustainable solutions, help address customer challenges while driving growth through geographic expansion and the promotion of production rationalization and product portfolio transformation.

Backdrop & challenges

- Need for the development of high-value-added products as the market matures
- Growing social demand for reduced environmental impact and the tightening of related regulations
- Potential for expansion in emerging economies and other promising, untapped markets
- Decline in demand for publication inks

Key initiatives

- Provide solutions that go beyond conventional performance and product category boundaries
 - Expand applications for high-value-added jet inks.
 - Expand high-performance products, including functional coatings for pharmaceutical, industrial and agricultural applications.
 - Provide *Aura*, a service that supports sustainable packaging strategies and management (support for design creation, regulatory compliance and environmental impact assessment, among others).
- Accelerate the development and deployment of environment-friendly products
 - Promote solvent-free adhesives that employ a new bonding system (*DUALAM*TM).
 - Develop security inks that contribute to the safe operation of deposit return systems (DRSs)*.
 - Establish a circular ecosystem for packaging.
- Further explore high-demand markets, including in Asia, the Middle East, Latin America, and Africa
- Implement structural reforms in the publication inks business
 - Collaborate with other ink manufacturers to improve the efficiency of production and logistics.
 - Merge and shutter production facilities.



* A DRS is a system where a small deposit is paid when a beverage is purchased and refunded when the container is returned after use.

Segment Strategies (Color & Display)

Pigments

Leads innovation in the color materials sector by leveraging one of the world’s largest operating scales and an extensive product lineup

Net Sales and
Operating Income

FY2025

¥247.5 billion
¥5.0 billion

¥305 billion
¥16 billion
or higher

FY2030

- Established a solid global platform, product breadth, and customer base through the acquisition of Colors & Effects.
- Enabled one-stop solutions through an industry-leading full-range portfolio spanning organic, inorganic, and effect pigments.

Backdrop & challenges

- Product lineup and sales configuration that are among the world’s largest
- Diverse markets with varying growth rates and technological needs
- Industry realignment spurred by stagnant demand in Europe and new trade policies
- Rising demand for low-carbon products to help achieve a circular economy
- Tightening of national and regional laws and regulations and increased demand for safe and secure materials

Key initiatives

- Accelerate the efficiency of the pigments business’ production and supply configuration to create a sustainable growth model
 - Finalize structural reforms in Europe and the United States, including realigning production bases and streamlining labor forces.
 - Create a foundation for deployment of the supply chain integration plan in global markets to help ensure industry-leading operational quality.
 - Reduce trade risks and establish a system for promptly responding to supply–demand fluctuations.
- Develop strategic products aligned with growth markets and optimize the existing product lineup
 - Invest management resources in growth areas such as pigments for displays, for digital, automotive and specialty applications, and for cosmetics.
- Create new businesses that contribute to environmental and social value
 - Launch highly decorative wavelength conversion inorganic materials/functional inorganic materials.
 - Continue transition to low-carbon in existing products.
- Provide safe and reliable materials that stay ahead of global regulatory requirements.
 - Respond to changes in U.S. regulations and lock in demand for natural blue food coloring (*Linablue®*) from food manufacturers.



Segment Strategies (Functional Products: Core businesses - Performance Materials, Specialty compounds)

Polymers

Strives to be a global partner that provides functional materials that respond promptly to local needs

Net Sales and
Operating Income

FY2025

¥205.3 billion
¥13.6 billion

¥250 billion
¥16 billion
or higher

FY2030

- Strengthen profitability in the core polymers business by further developing environment-friendly and high-value-added products and reorganizing the production footprint.
- Leverage production bases acquired in Phase 1 to pursue sustainable growth by promoting strategies tailored to regional characteristics.

Backdrop & challenges

- Accelerated demand for high-performance products and environment-friendly products
- Production facilities in growth markets in Asia
- Gradual decline in demand in the domestic polymers market

Key initiatives

- Accelerate market deployment of high-performance and environment-friendly products
 - Broaden applications for environment-friendly Green-WPU*1 and expand the Waterborne polyurethane resins business globally.
 - Expand sales of RHM adhesives*2 for electrical materials, textiles, and building materials.
 - Develop new PPS products (heat dissipation, conductivity, sliding properties).
- Strengthen responsiveness to local needs and lock in local demand
 - Expand specialty products in Asia, led by DIC Ideal Private Limited in India.
 - Capitalize on Guangdong DIC TOD Resins to bolster sales of resins to local customers in the PRC and lock in demand for environment-friendly products (e.g., waterborne resins).
- Optimize the production footprint in response to the contraction of the domestic market

*1 Environment-friendly water-based polyurethane resins

*2 Solvent-free, environment-friendly adhesives with excellent adhesion and durability



3-2 Building a Business Portfolio That Contributes to Sustainable Prosperity for Society

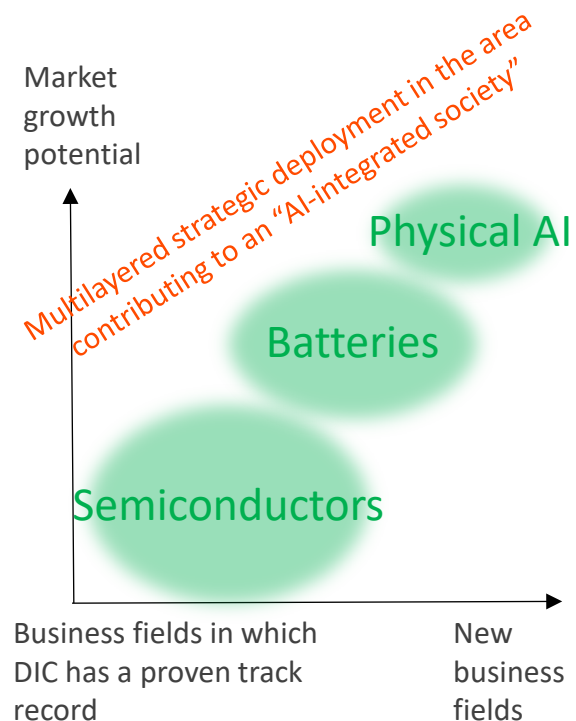
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Establishment of Growth Businesses



Initiatives Aimed at Establishing Growth Businesses

- The society in which AI is increasingly integrated into all aspects of social systems is defined as an “AI-Integrated Society”.
- Among the business fields supporting the AI-integrated society, we provide materials and solutions primarily in the semiconductor, battery, and physical AI fields, where our management resources can be most effectively leveraged.



Current stages in the establishment of new businesses differ for each business field.

▶ Create businesses with the potential to become new pillars by promoting a strategic approach and leveraging management resources in a manner tailored to the business’ current stage.

Semiconductors

Current stage: Leverage existing business foundation to promote further business expansion

- Integrate experience and information upstream and downstream across the semiconductor market and create new value by establishing a configuration that integrates production, sales and technological functions.

Batteries

Current stage: Create new businesses that utilize DIC materials

- Apply specialty materials, together with evaluation technologies acquired in Phase 1, to enhance the functionality of batteries and develop new businesses.

Physical AI

Current stage: Strive to cultivate new markets in areas with high growth potential

- Build new business ecosystems for the physical AI era by deploying the Direct to Society business creation mechanism, CVC investments and DIC assets.

Expanding business scope beyond materials, including solution-oriented businesses.

Strategic M&A

Acquire resources and technologies that are currently lacking with a view to establishing new businesses.

CVC

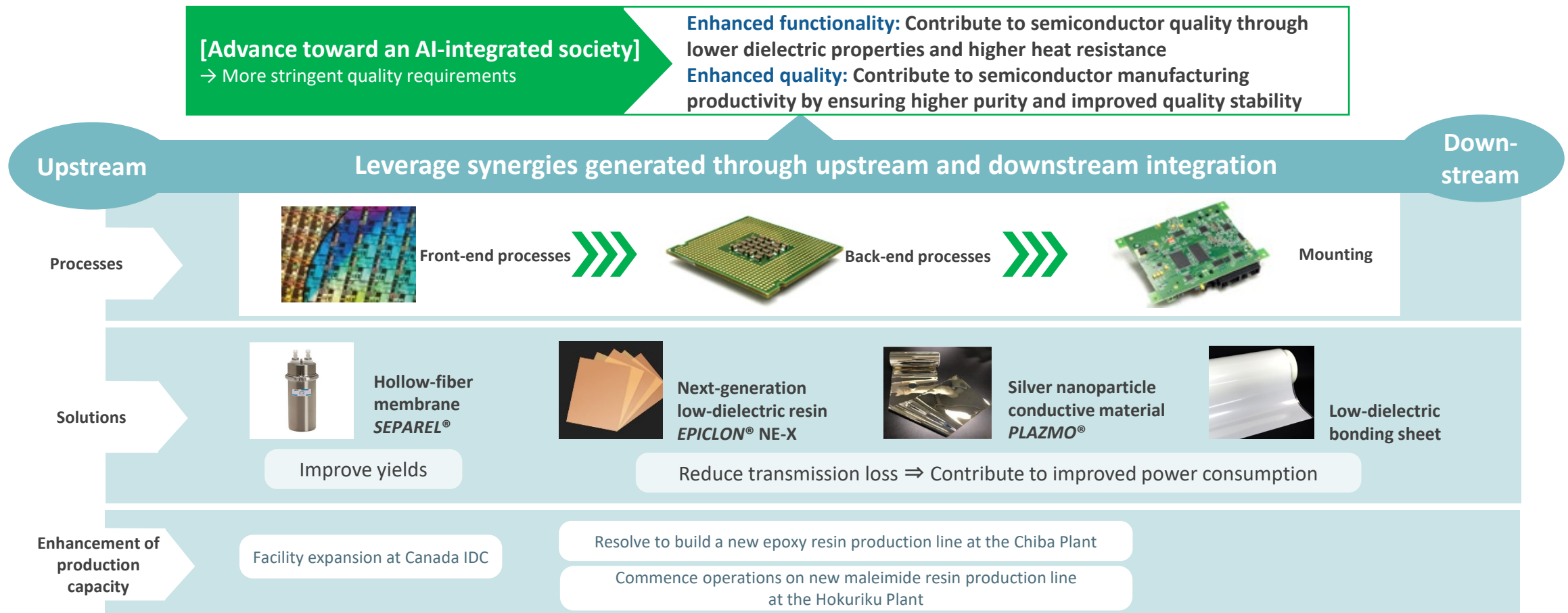
Focusing investments on the area of **physical AI**, where market pipelines and expertise are scarce.

Segment Strategies (Functional Products: Chemitronics, Composite materials/Devices, Others)

Semiconductors field

Contribute to the evolution of semiconductors—the core of digital AI—by capitalizing on product capabilities cultivated over many years in the electronics sector.

- Integrate experience and information upstream and downstream across the semiconductor market and create new value by establishing a configuration that integrates production, sales and technological functions.



Segment Strategies (Functional Products: Chemitronics, Composite materials/Devices, Others)

Batteries field

Combine proprietary polymer technologies with battery evaluation technologies to help advance LiBs and other batteries.

- Apply specialty materials, together with evaluation technologies acquired in Phase 1, to enhance the functionality of batteries and develop new businesses.

[Advance toward an AI-integrated society]
→ Increasing demands for high-performance

Higher capacity, faster charging and longer lifespan: Enhance sustainability and usability across a wide range of applications—including EVs, data centers and robotics—and contribute to the evolution and broader adoption of AI-related technologies.

Upstream

Launch multiple polymer-based products by leveraging existing assets

Downstream

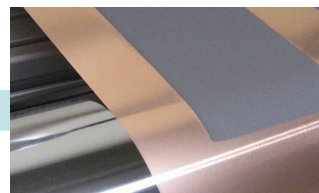
Expand product lineup to include downstream products that capitalize on existing mixing blending, dispersion and coating technologies

Upstream



Electrode binders

Electrode binder resin, etc.



Cell materials

Materials for solid-state batteries
Polyphenylene sulfide (PPS) compounds



Module peripheral materials

Functional tape

Downstream



EV



ESS*



Smartphone



AID**

Expand product portfolio by promoting continuous product development across the battery supply chain

* ESS = Energy storage system

** AID = Artificial intelligent device

Segment Strategies (Functional Products: Chemitronics, Composite materials/Devices, Others)

Physical AI field

Build on capabilities in areas such as polymers and molding materials to drive the evolution of finished products in the field of physical AI.

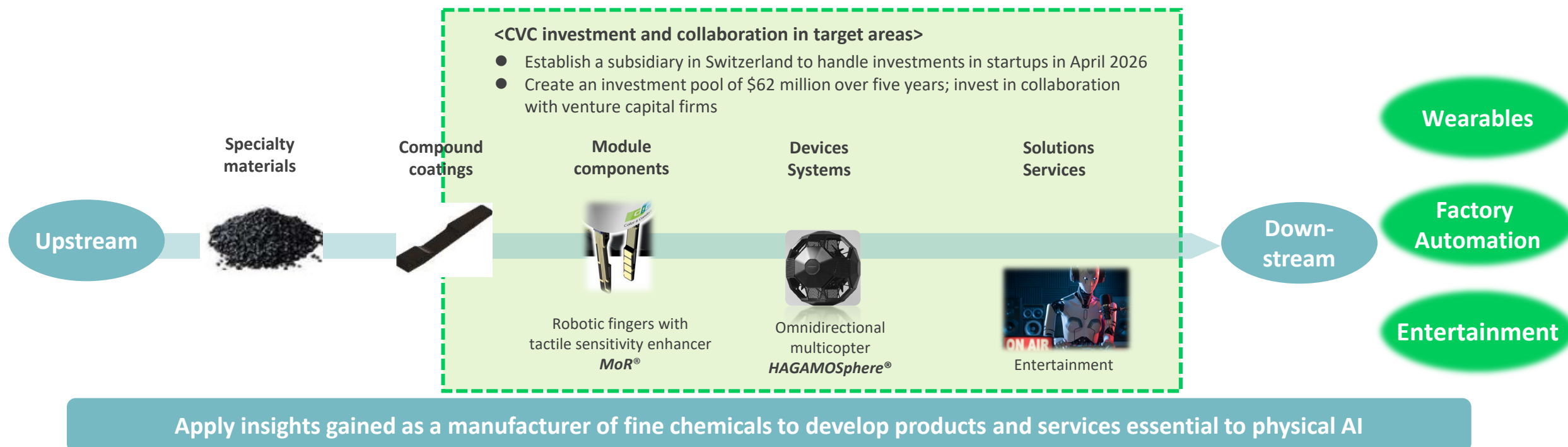
- Build new business ecosystems for the physical AI era by deploying the Direct to Society business creation mechanism, CVC investments and DIC assets.

Upstream

Feed end-market insights gained through deployment of the Direct to Society business creation mechanism back into materials and module development

Downstream

Promote commercialization by collaborating with startups making use of CVC and by leveraging the Direct to Society business creation mechanism (to directly market materials as finished products)



3-2 Building a Business Portfolio That Contributes to Sustainable Prosperity for Society

3-2-3

Framework Supporting Phase 2 Strategies



Initiatives and Configurations Supporting Phase 2 Strategies



Strengthen the global management structure

- Strengthen Groupwide collaboration on the operating front to enhance global product deployment, expand sales of new products and improve customer support.
- Leverage Groupwide management resources—including skills, technologies, facilities, intellectual property and data—to strengthen strategic execution capabilities.



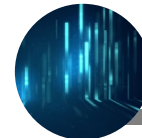
Advance human capital management

- Implement cross-regional and cross-divisional Groupwide talent development.
- Appoint high-performing human resources to key positions around the world.



Generate ideas, guided by the Direct to Society business creation mechanism

- Go beyond renowned ability to develop products that meet customer needs, looking at the future from a consumer-adjacent perspective and linking this to innovative product development and commercialization.
- Transform business model from that of a traditional chemical materials producer and promote innovation and creative output.



Promote IT and DX

- Renew core business systems and build an integrated digital platform in the Americas and Europe, having completed similar efforts in Asia, with the aim of establishing a global framework for digital infrastructure management.
- Promoting efficiency improvements and cost reductions by leveraging generative AI across diverse functions, including inventory management, administrative operations, manufacturing, and technology development.

3-3

Performance Targets (Fiscal Years 2026–2030)



Consolidated Results Targets (Fiscal Years 2026–2030)

| (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 |
| Net income attributable to owners of the parent | | 32.4 | 33 | - |
| EBITDA | | 109.3 | 111 | 134 or higher |
| ROIC (%) | Total | 4.4% | 4.7% | 6.0% or higher |
| | (Reference) | | | |
| | Packaging & Graphic | 7.2% | 6.6% | 8.0% or higher |
| | Color & Display | 1.3% | 2.2% | 5.0% or higher |
| | Functional Products / Growth businesses | 7.9% | 8.3% | 11.0% 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 |

Segment Results Targets (Fiscal Years 2026–2030)

| Row: Upper: Net sales Lower: Operating income (Billions of yen) | | 2025 | 2026 | 2030 |
|---|---|-----------------|---------------|---------------------------------|
| | | Actual | Targets | Targets |
| | Packaging & Graphic | 549.7 31.1 | 577 30.0 | 625 or higher 37 or higher |
| | Color & Display | 247.5 5.0 | 255 8.5 | 305 or higher 16 or higher |
| | Functional Products / Growth businesses | 290.9 23.1 | 298 24.5 | 370 or higher 33 or higher |
| Total | | 1,052.2 52.2 | 1,100 56.0 | 1,240 or higher 80 or higher |

Note: Operating income targets include shared and other costs and so differ from the sum of segment targets.

3-4

Initiatives to Enhance Corporate Value



Initiatives to Enhance Corporate Value

Management that is conscious of capital costs and share price

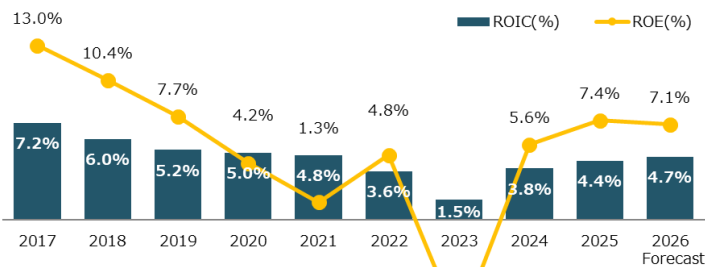
Analysis of current situation

- The price–book value (P/B) ratio has been below 1.0 times since fiscal year 2019.
- The concentration of investments in Phase 1 caused declines in ROE and ROIC, but both improved from fiscal year 2024 onward, underpinned by solid operating results.

Efforts to enhance corporate value

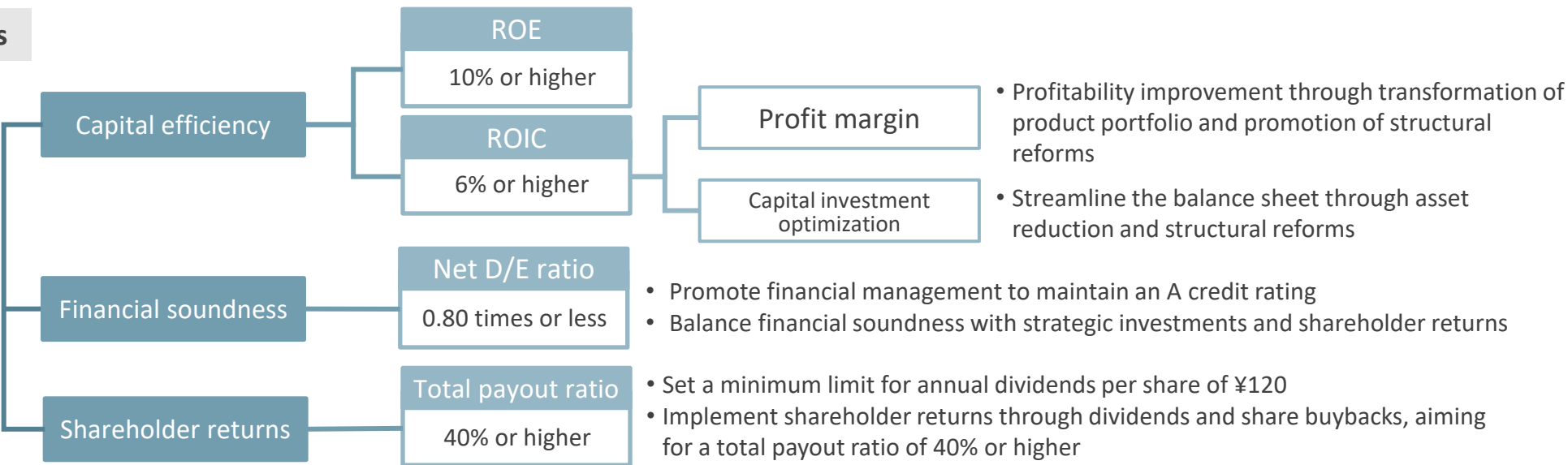
- Improve P/B ratio by working to enhance ROE and ROIC and at the same time to achieve high asset and capital efficiency that exceeds the cost of capital.
- Promote the balanced allocation of cash by emphasizing investments in growth, financial soundness and shareholder returns.

ROIC and ROE (Fiscal Years 2017–2026)



KPIs and FY2030 Targets

Enhancement of corporate value



Initiatives to Enhance Corporate Value

Nonfinancial strategies to enhance corporate value



Strengthen governance

- Delegate authority to executive officers and transform the Board of Directors into a monitoring board.
- Transition into a company with an Audit and Supervisory Committee (scheduled to go into effect as of the Annual General Meeting of Shareholders in March 2027).
- Accelerate decision making and enhance accountability and transparency by delegating authority to business groups and corporate units.
- Maintain the Corporate Value Improvement Committee, which advises the Board of Directors from a third-party perspective regarding the improvement of corporate value over the long term.
- Enhance corporate value by reflecting insights gained through communication with internal and external stakeholders in management.



Advance sustainability initiatives

- Continue discussions aimed at reducing CO₂ emissions.
 - Promote flexible responses to diverse national and regional environmental requirements with the aim of reducing CO₂ emissions by 50% from the fiscal year 2013 level by fiscal year 2030.
- Introduce and entrench country- and region-specific measures aimed at realizing a circular economy.

Initiatives to Enhance Corporate Value

Nonfinancial strategies to enhance corporate value



Promote a social contribution program centered on the fine arts

- Full-scale collaboration between DIC and the International House of Japan
 - Deepen collaboration to share the cultural assets that it owns—mainly works by luminaries of postwar American art—with society and to pass them on to subsequent generations.
 - Enter into a new partnership with Rothko Chapel* in the fields of art and architecture.
- Make contributions in the field of art restoration
 - Leverage unique capabilities as a manufacturer of fine chemicals that operates an art museum to help protect cultural assets and create new value through, among others, the provision of art restoration materials.
 - Establish the Institute of Art Conservation Chemistry, an organization that will continue to carry out related initiatives.

* A U.S. nonprofit organization in Houston, Texas, that permanently exhibits the works of Mark Rothko.

Disclaimer Regarding Forward-Looking Statements

Statements herein, other than those of historical fact, are forward-looking statements that reflect management's projections based on information available as of the publication date. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to, economic conditions in Japan and overseas, market trends, raw materials prices, interest rate trends, currency exchange rates, conflicts, litigations, disasters and accidents, as well as the possibility the Company will incur special losses related to the restructuring of its operations.



Color & Comfort



DIC Corporation