



Corporate Governance

- | | |
|---|---|
| 86 Initiatives to Enhance Corporate Governance | 92 Compensation Paid to Directors and Audit & Supervisory Board Members |
| 87 Corporate Governance System | 94 Evaluation of the Overall Effectiveness of the Board of Directors |
| 89 List of Directors and Audit & Supervisory Board Members | 95 Dialogue with Shareholders and Investors |
| 90 Skill Matrix | 96 Dialogue between Outside Directors |
| 91 Appointment of Directors and Audit & Supervisory Board Members | 99 Message from Newly Appointed Outside Director |

Risk Management

- | |
|------------------------------|
| 100 Human Rights Initiatives |
| 101 Information Security |

Section

5

Corporate Governance

We explain our approach to corporate governance and risk management, which form the foundation for sustainable growth and the enhancement of corporate value.

Initiatives to Enhance Corporate Governance

Basic approach

The DNP Group's Corporate Philosophy is to connect individuals and society, and provide new value. Based on this philosophy, we will apply our strengths in P&I (printing and information) that we have developed over 150 years since our founding, enhance our competitiveness in a wide range of business fields, and stably expand our business in the medium to long term. In order to do this, we believe it is important to always consider our responsibilities to society as a corporation and be a company that is always trusted by all stakeholders. The DNP Group considers it a key management priority to courageously

pursue various business opportunities based on sound entrepreneurship, while fulfilling our responsibilities to practice Value Creation, Integrity in Conduct, and Transparency (Accountability), as well as to enhance corporate governance to oversee and audit these practices. We will improve our corporate governance and aim to further enhance our sustainable growth and corporate value to respond to our various stakeholders and their expectations.

Key initiatives to enhance corporate governance

Since the introduction and application of Japan's Corporate Governance Code in 2015, the Company has been promoting improvements in governance to enhance the effectiveness of the Board of Directors overall. We have been working to enhance diversity, establish an environment and provide information that enable the outside directors to demonstrate their abilities, and strengthen dialogue and collaboration with the capital market in order to achieve our Corporate Philosophy. We will steadily implement our new Medium-Term Management Plan which started in April 2026, and at the same time, continue to improve governance to conduct appropriate oversight.

	Purpose	Key Initiatives	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 (FY)
Composition and Operation of the Board of Directors	Ensure the transparency and diversity of the Board of Directors	Increasing the number of outside directors and female officers	Outside directors 2 persons				3 persons	4 persons					5 persons	6 persons
	Ensure transparency and objectivity in decisions regarding nominations and compensation	Establishment and operation of the Advisory Committee	Establishment of the Advisory Committee (2 members)			Addition of Advisory Committee members (3 members)			Developed and disclosed a skills matrix reflecting the discussions of the Advisory Committee				Increased the number of female directors to 2	
	Enhance the efficiency of Board of Directors operations	Enhancing discussions at the Board of Directors	Advance distribution of materials for Board of Directors meetings		Establishment of the secretariat of the Board of Directors				Online advance briefings on matters to be submitted to the Board of Directors					
	Enhance the effectiveness of outside officers	Enhancing the provision of information to outside officers				Conducting site visits to factories and business sites for outside officers						Participation of outside officers in the Company's internal exhibition		Enhancing follow-up on the progress of individual matters
Dialogue and Collaboration with the Capital Markets	Enhancing external information disclosure	Holding various investor briefings					Financial results briefings		ESG briefings → Sustainability briefings			IR-Day	Participation in IR Conferences in Japan and overseas	
	Promoting management that leverages the Company's strengths	Feedback to the Board of Directors on dialogue with shareholders and other stakeholders		Annually reports to the Board of Directors on the results of voting at the Ordinary General Meeting of Shareholders and the status of SR activities						Timely feedback to the Board of Directors on dialogue at investor briefings and other meetings				
										Feedback to the Board of Directors on the views of shareholders and other stakeholders gathered through day-to-day IR activities				Further enhancing feedback to the Board of Directors on dialogue with stakeholders

Corporate Governance System

DNP is a company with a board of company auditors under Japan's Companies Act. Our Board of Directors consists of inside directors in charge of business execution and nonexecutive outside directors, and they oversee management while making accurate and timely management decisions. We have established and operate a system that enables proper and prompt business execution based on this oversight and management

Board of Directors

Number of meetings in the fiscal year ended March 2026:
14 (full attendance for all meetings)

- The Board of Directors allows directors with specialized knowledge and experience in a wide range of business fields to participate in management decision-making aimed at realizing our Corporate Philosophy to execute their duties with responsibility and authority and to oversee the execution of duties by other directors.
- To further strengthen the appropriate oversight of management, independent outside directors, including those with management experience at other companies, participate in management decision-making. In addition to overseeing inside directors, outside directors play a role in contributing to the improvement of transparency and accountability of the Board of Directors, providing management advice based on their insights.

Key agenda items at meetings of the Board of Directors (fiscal year ended March 2026)

Management strategy	• Progress of operations in line with the Medium-Term Management Plan (business, financial, and non-financial strategies) and business structure reforms • Formulation of new Medium-Term Management Plan
Dialogue with shareholders	• Holding of financial results briefings, sustainability briefings, etc. • Status of dialogues with institutional investors
Governance	• Key personnel, organizational units, and compensation • Evaluation of the effectiveness of the Board of Directors • Status of internal audits

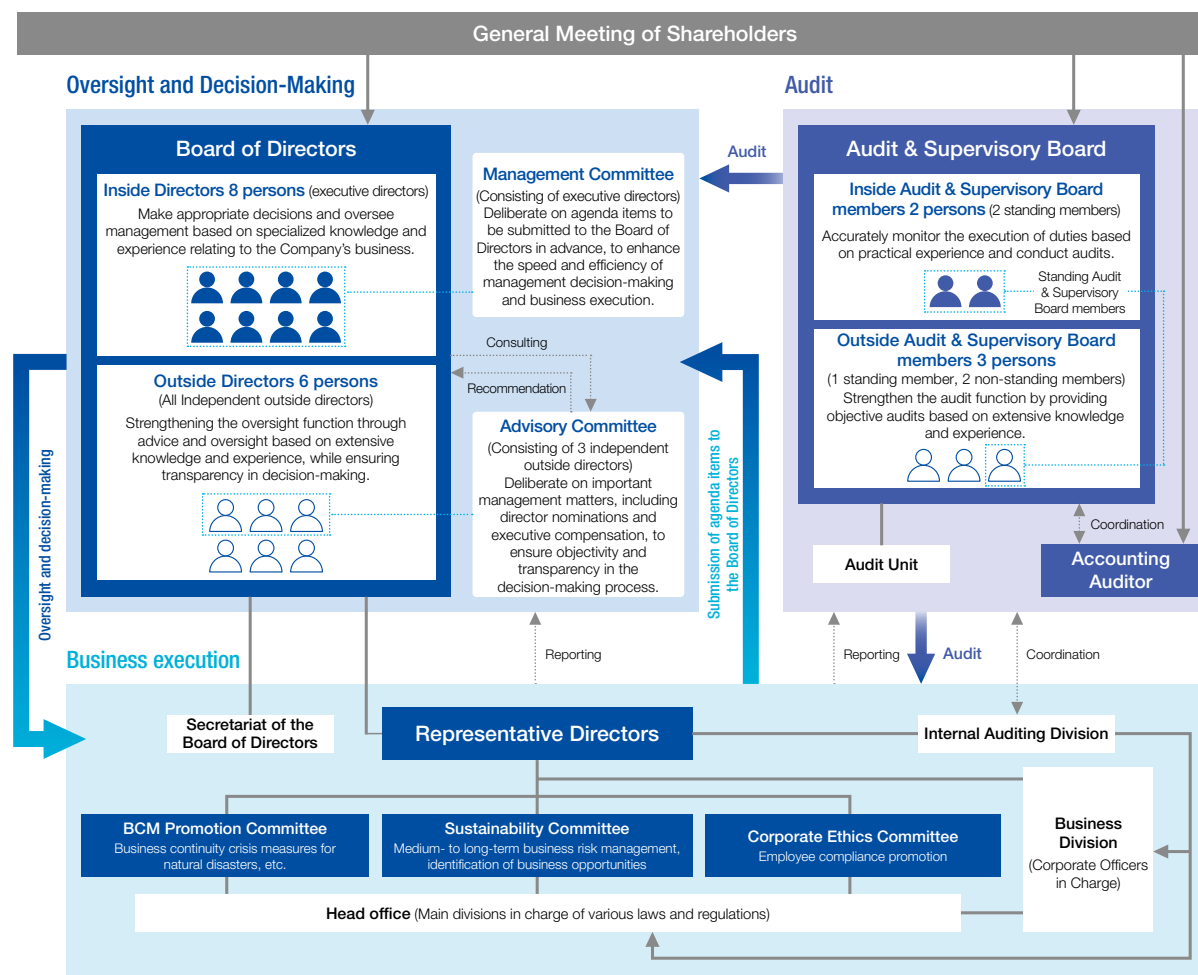
Audit & Supervisory Board

Number of meetings in the fiscal year ended March 2026:
19 (full attendance for all meetings)

- Each Audit & Supervisory Board member conducts audits of the execution of duties by directors in accordance with the auditing standards and assignments determined by the Audit & Supervisory Board and requests reports on the execution of duties from directors, corporate officers, and others as necessary.
- Outside Audit & Supervisory Board members enhance the validity of both accounting audits and operational audits, and fulfill the function of overseeing management.

decision by the Board of Directors. At the same time, the Audit & Supervisory Board—of which a majority are outside Audit & Supervisory Board members—audits management and participates in meetings of the Board of Directors, thereby ensuring that corporate governance functions effectively.

Corporate Governance System



Corporate Governance System

Advisory Committee

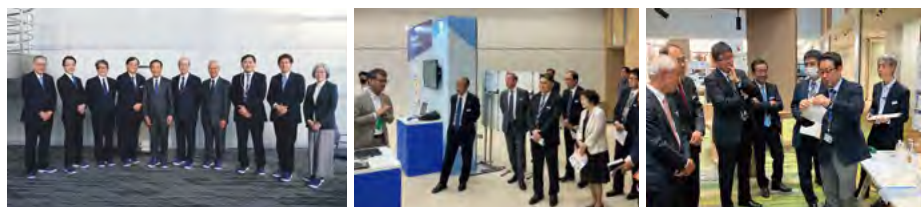
Number of meetings in the fiscal year ended March 2026: 7 (full attendance for all meetings)

- As part of our efforts to strengthen the oversight functions of the Board of Directors, we have established the Advisory Committee (secretariat: Legal Affairs Department) consisting of independent outside directors / Audit & Supervisory Board members to ensure the transparency and objectivity of decision-making procedures relating to the nomination of director / Audit & Supervisory Board member candidates and corporate officers of the Company, their compensation and other issues.
- The Advisory Committee functions as a nomination committee and a compensation committee. In addition, the committee deliberates on important management matters referred to it by the Board of Directors, providing objective advice and recommendations, taking into account the protection of general shareholders' interests.
- At the Board of Directors meeting held in January 2025, the Advisory Committee Regulations were revised and subcommittees were established within the committee to further examine specific themes. In the fiscal year ended March 2026, discussions were conducted with consideration of opinions from external experts, and the Advisory Committee deliberated matters—including the Company's governance structure, the composition of the Board of Directors, and the approach to nomination and compensation—based on discussions held by the subcommittees.

Providing information to outside directors and Audit & Supervisory Board members to invigorate discussions by the Board of Directors

Outside directors and Audit & Supervisory Board members are provided with opportunities to understand agenda items and form opinions through the conduct of advance briefings to the Board of Directors. In addition, they attend the regular meetings of outside directors / Audit & Supervisory Board members and offer advice and opinions—such as those related to the operation of the Board of Directors—to the director in charge of the Legal Affairs Department and secretariat of the Board of Directors.

We also strive to provide more information to outside directors and Audit & Supervisory Board members regarding the initiatives of the DNP Group by giving them opportunities for dialogue with the management and employees outside Board of Directors meetings. These opportunities include the participation of outside directors as observers in Audit & Supervisory Board interviews with head office and business divisions, and visits to offices and internal events.



Activities of the Advisory Committee (fiscal year ended March 2026)

Composition	Chairperson: Tsukasa Miyajima; Members: Yoshiaki Tamura, Hiroshi Shirakawa
Main consultation items	Nomination-related Changes to the directors / Audit & Supervisory Board members / corporate officers (including the composition of the Board of Directors and its skill matrix after the General Meeting of Shareholders) Compensation-related Basic policy on compensation for directors and corporate officers, and individual compensation Others Status of dialogues with institutional investors Operation of the governance subcommittee

Activities conducted in the fiscal year ended March 2026

Timing	Activities	
May 2025	Visit to internal event	Mirai-Zukuri Meetings - Inspiring New Ideas for DNP's Next Vision
June	Office visit	Azusawa Center (Tokyo)
July	Meeting of outside directors / Audit & Supervisory Board members	Results of voting at annual meeting of shareholders Policy for operation of the Board of Directors Evaluation of the effectiveness of the Board of Directors (results and issues to be addressed)
September	Meeting of outside directors / Audit & Supervisory Board members	State of progress in the formulation of the new Medium-Term Management Plan
October	Visit to event for external parties	DNP THE SESSION 2025 AUTUMN
December	Board of Directors workshop	Inspection of Okayama Plant (Okayama Prefecture) and Mihara Plant (Hiroshima Prefecture)
	Audit & Supervisory Board interviews	Content & XR Communication Business Division
	Business briefing for outside directors / Audit & Supervisory Board members	Agricultural business-related initiatives
	Visit to internal event	Technology and innovation meeting
February 2026	Office visit	Tsukuba Site (Ibaraki Prefecture)
	Visit to internal event	Diversity Week
	Audit & Supervisory Board interviews	Personnel & Employee Relations Division, Recruiting and Training Department, and Diversity & Inclusion Promotion Department
March	Visit to event for external parties	DNP THE SESSION 2026 SPRING

List of Directors and Audit & Supervisory Board Members

Directors



Yoshinari Kitajima
President



Kenji Miya
Executive Vice President



Masafumi Kuroyanagi
Senior Managing Director



Kazuhiko Sugita
Senior Managing Director



Toru Miyake
Senior Managing Director



Osamu Nakamura
Senior Managing Director



Minako Miyama
Managing Director



Takahito Kanazawa
Managing Director



Tsukasa Miyajima
Director (outside)



Yoshiaki Tamura
Director (outside)



Hiroshi Shirakawa
Director (outside)



Nobuhiko Sugiura
Director (outside)



Mika Kumahira
Director (outside)



Shigeki Fujita
Director (outside)

Audit & Supervisory Board members



Ryuji Minemura
Standing Audit & Supervisory
Board member



Tatsuya Hisakura
Standing Audit & Supervisory
Board member



Kazuhisa Morigayama
Standing Audit & Supervisory
Board member (outside)

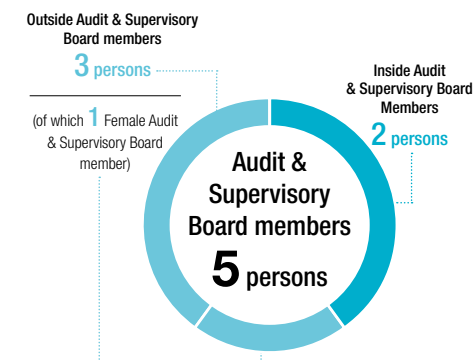
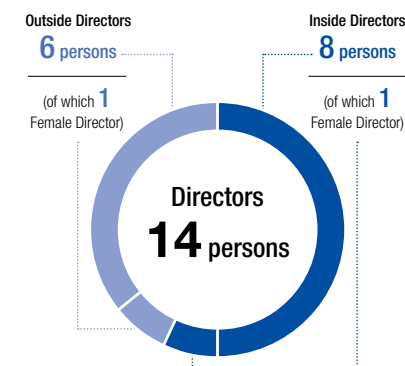


Taeko Ishii
Audit & Supervisory Board
member (outside)



Yasuyoshi Ichikawa
Audit & Supervisory Board
member (outside)

■ Composition of DNP's Board of Directors (as of June 26, 2026)



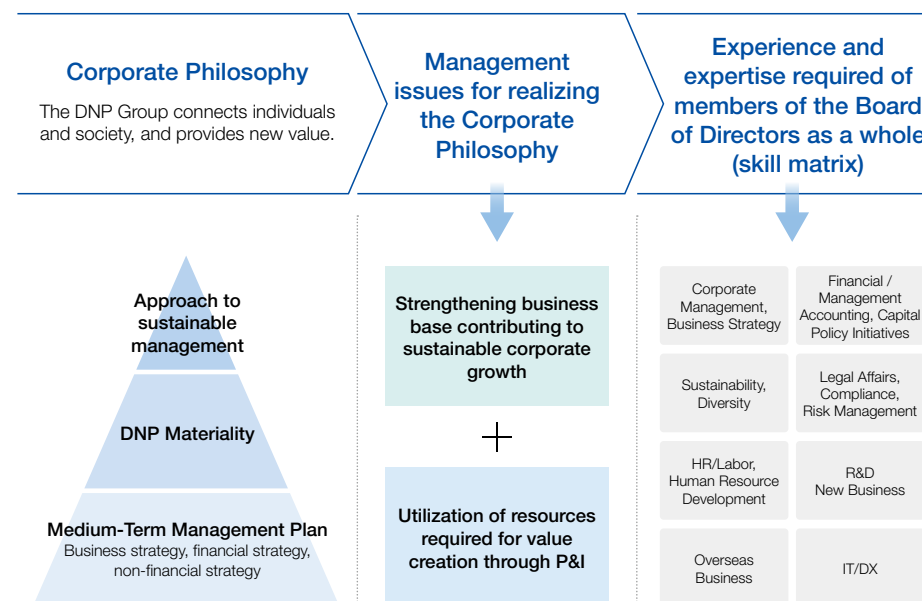
Skill Matrix

DNP's Board of Directors consists of members with diverse backgrounds to cover the experience and expertise (skills) that are considered necessary for realizing our Corporate Philosophy. "○" indicates that the individual possesses the background, and "◎" indicates that the individual is highly expected to demonstrate his/her competence in the field.

		Corporate Management, Business Strategy	Financial / Management Accounting, Capital Policy Initiatives	Sustainability, Diversity	Legal Affairs, Compliance, Risk Management	HR/Labor, Human Resource Development	R&D New Business	Overseas Business	IT/DX
Directors	Yoshinari Kitajima	◎		◎	○			○	
	Kenji Miya	◎	○	◎	○	◎	○	○	
	Masafumi Kuroyanagi	◎	◎		○				
	Kazuhiko Sugita	○	◎	◎					
	Toru Miyake	◎		○			◎		○
	Osamu Nakamura	○					◎	○	
	Minako Miyama	○		◎		◎	○		○
	Takahito Kanazawa	○			◎		○		◎
	Tsukasa Miyajima				◎				
	Yoshiaki Tamura	◎		○			○	◎	○
Outside Directors	Hiroshi Shirakawa	◎	◎		○				
	Nobuhiko Sugiura	○	◎		◎			○	○
	Mika Kumahira	○		◎		◎	○	○	
	Shigeki Fujita	◎					○	○	
Audit & Supervisory Board members	Ryuji Minemura	○			◎				
	Tatsuya Hisakura	○	◎		○			◎	○
	Kazuhisa Morigayama	○	◎		○	○			
	Taeko Ishii			◎	○	○			
	Yasuyoshi Ichikawa		◎		○				

Concept behind skill matrix

DNP's Corporate Philosophy is "The DNP Group connects individuals and society, and provides new value." To realize this Corporate Philosophy, we believe that members of the Board of Directors must leverage their respective experience and expertise to engage in discussions and contribute to decision-making on key management issues, such as strengthening the business base to support sustainable growth and utilizing resources to create value through Printing and Information (P&I), which is one of our unique strengths. For illustrative purposes, we have grouped the skills (experience and expertise) required of members of the Board of Directors into eight areas and presented them in the form of a skill matrix.



Appointment of Directors and Audit & Supervisory Board Members

In order for the Company to continuously provide new value and create a better future based on our Corporate Philosophy, it is essential not only for each employee to practice respect for diversity as stipulated in the DNP Group Code of Conduct, but also to enhance diversity in management. To achieve this, it is important that members constituting the Board of Directors possess diverse perspectives and experiences, as well as advanced expertise (skills), and serve as personnel who support decision-making in our Company's management through discussions at the Board meetings.

In order to ensure transparency and fairness in the process concerning the appointment and dismissal of directors and Audit & Supervisory Board members, which are

Policies for selection of director and Audit & Supervisory Board member candidates

The Board of Directors selects candidates for director and Audit & Supervisory Board member (new appointments and reappointments) after multiple comprehensive and multifaceted reviews from the following perspectives.

Perspectives on the Board of Directors as a Whole	- Ensuring the number of directors is appropriate to allow the Board of Directors to make decisions accurately and promptly - Ensuring that the Board of Directors as a whole maintains balance and diversity in knowledge, experience, and ability - Ensuring that at least one-third of the Board members are outside directors who meet the Company's independence standards to maintain objectivity in decision making
Perspectives on individual candidates for director and Audit & Supervisory Board member	- Ability to contribute to the realization of the Company's Corporate Philosophy - High level of discernment and insight, as well as objective, fair, and impartial judgment needed to fulfill the duties of a director or Audit & Supervisory Board member in a company with an Audit & Supervisory Board - High ethical standards and a strong sense of legal compliance - Sufficient health to fulfill the duties of a director or Audit & Supervisory Board member at a publicly listed company - For outside directors and Audit & Supervisory Board members, ability to ensure sufficient time to perform duties, while also meeting independence standards as set by the Tokyo Stock Exchange and the Company

important management issues, the Company deliberates on such appointments in the Advisory Committee composed solely of independent outside directors / Audit & Supervisory Board members prior to resolutions at the General Meetings of Shareholders and the Board meetings. Taking into account the DNP Group's business structure and scale, the Advisory Committee focuses on balancing the required number of directors and knowledge, experience, and ability as it comprehensively evaluates candidates based on character and insight without regard to race, ethnicity, gender, nationality, or age.

The Company also aims to achieve a female director ratio of more than 30% by 2030.

Decision-making process for director and Audit & Supervisory Board member candidates

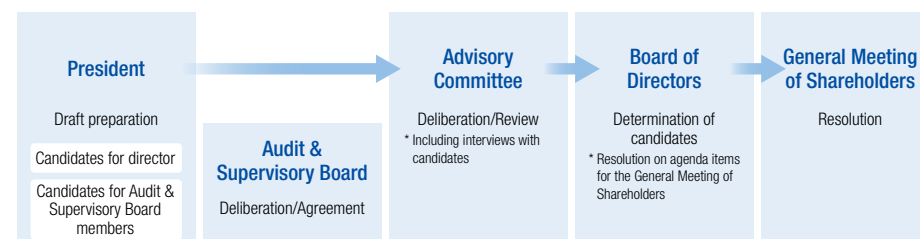
The President draws up a draft list of candidates for directors and Audit & Supervisory Board members, and consults the Advisory Committee.

The reason why the President draws up a draft list is that the President is the most appropriate person to select candidates who can flexibly and promptly implement investment decisions to achieve the Corporate Philosophy by leveraging DNP's unique strengths in P&I, while also being capable of appropriate oversight and auditing. As part of this process, the President takes into account the overall business situation of the DNP Group and progress in succession planning for management, including the CEO. Opportunities are also arranged for the Advisory Committee to review the training status of executive personnel at appropriate intervals.

After deliberation on a draft list of the candidates at the Advisory Committee from multifaceted perspectives (including through interviews with candidates), the Board of Directors deliberates on a draft list of the candidates based on advice and recommendations from the Advisory Committee regarding it. The Board of Directors makes its decision while giving due consideration to the opinions of the Advisory Committee, thereby enhancing the objectivity of its decision-making process at the Board of Directors and strengthening accountability.

For Audit & Supervisory Board member candidates, the consent of the Audit & Supervisory Board is obtained.

Decision-making process



Compensation Paid to Directors and Audit & Supervisory Board Members

Policy for determining the details of compensation for each individual director

In light of changes in our operating business environment, the Board of Directors considers the necessity of revising the “Policy for Determining the Details of Compensation for Each Individual Director” annually, and refers the matter to the Advisory Committee. Following deliberations and considerations by the Advisory Committee, the Board of Directors respects the results of the deliberations and resolves the “Policy for Determining the Details of Compensation for Each Individual Director.”

In April 2026, the Board of Directors resolved to add to the Compensation Policy for the next fiscal year a provision that, in addition to the three performance metrics used for bonuses, the degree of achievement of targets for non-financial metrics, such as reductions in GHG emissions, will also be taken into account to incentivize sustainability initiatives.

- (1) The compensation for executive directors will be structured to function as an incentive to continuously improve corporate value.
- (2) By linking the stock compensation plan to the Medium-Term Management Plan, the incentive for improving corporate value over the medium-to-long term will be enhanced.
- (3) When determining the compensation for each individual director, it shall be set at an appropriate level based on their respective responsibilities, while referencing objective market data on compensation.
- (4) Regarding the compensation for corporate officers, to further enhance their sense of participation in management, the basic policy on compensation shall be the same as that for executive directors.
- (5) Compensation for outside directors and Audit & Supervisory Board members shall consist solely of fixed compensation, without linking it to performance, to ensure their independence from business operations.

Structure of compensation paid to directors and Audit & Supervisory Board members

Types of compensation		Eligibility	Executive directors	Outside directors	Audit & Supervisory Board members	Corporate officers
Fixed	Monthly compensation		☐	☐	☐	☐
Variable	Bonus (Short-term incentive compensation)		☐			☐
	Stock compensation (Medium- to long-term incentive compensation) [service-based / performance-based]		☐			☐

Process for determining compensation paid to directors and Audit & Supervisory Board members

Monthly compensation and bonus

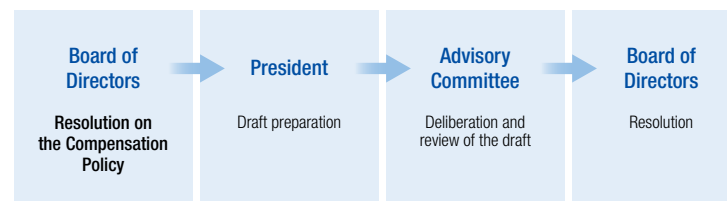
In the fiscal year ended March 2026, the Board of Directors resolved to entrust the Representative Director and President with the task of determining the details for individual monthly compensation and bonuses. The Board of Directors entrusted him with this authority because the President is best positioned to evaluate each director and corporate officer while simultaneously looking at results from broad perspectives. Based on the resolutions of the Board of Directors, the President prepares a draft of the details for each individual's monthly compensation and bonus and refers it to the Advisory Committee for consultation. After the Advisory Committee conducts a multifaceted review and deliberation, the President makes a decision based on its advice and recommendations. The decision is then approved again by the Board of Directors at a meeting attended by the outside directors who are Advisory Committee members.



Details of monetary claims granted in connection with stock compensation

The details of the monetary claims to be granted to eligible directors and corporate officers in connection with stock compensation are resolved by the Board of Directors in accordance with the provisions of the Companies Act regarding the allotment of restricted stock.

The Representative Director and President will prepare a draft of the monetary claims to be granted to each individual and refer it to the Advisory Committee for consultation. After the Advisory Committee conducts a multifaceted review and deliberation, the Board of Directors resolves the matter based on its advice and recommendations.



Compensation Paid to Directors and Audit & Supervisory Board Members

Performance-based compensation

Compensation for directors and Audit & Supervisory Board members is positioned as an incentive for our sustainable growth and corporate value enhancement. In addition to bonuses as short-term incentives for executive directors and corporate officers, we have adopted restricted stock compensation as a medium- to long-term incentive.

Bonus	Bonus is determined by using consolidated operating income, net income attributable to parent company shareholders, and ROE as performance metrics, with consideration also given to the level of contribution in the fiscal year under review.
Restricted stock compensation	Under stock compensation, performance-based compensation—where the lifting of transfer restrictions is conditional upon achievement of the targets in the Medium-Term Management Plan—uses consolidated operating income and ROE in the final fiscal year of the Medium-Term Management Plan as performance metrics. When the performance conditions are not achieved or under certain other circumstances, such as when the Board of Directors determines that there has been a violation of laws, regulations, or internal rules, the transfer restrictions on all or part of the allocated shares shall not be lifted, and we will instead acquire them without compensation (clawback).

■ Performance metrics and results regarding performance-based compensation for the fiscal year ended March 2026

Type of compensation	Performance metrics	Financial forecast and ROE target (fiscal year ended March 2026)	Results (fiscal year ended March 2026)
Bonus	Consolidated operating income of the fiscal year under review	¥94.0 billion	¥101.0 billion
	Net income attributable to parent company shareholders of the fiscal year under review	¥90.0 billion	¥103.9 billion
	ROE	8.0%	8.9%
Stock compensation [performance-based]	Performance metrics (evaluated over a three-year period)	Medium-Term Management Plan targets	Results
	Final-year consolidated operating income target of the Medium-Term Management Plan (evaluation weight: 70%)	¥85.0 billion	¥101.0 billion (fiscal year ended March 2026)
	Number of times that the ROE target of the Medium-Term Management Plan was achieved (evaluation weight: 30%)	8.0% or higher	Fiscal year ended March 2024: 9.8% Fiscal year ended March 2025: 9.6% Fiscal year ended March 2026: 8.9%

Total compensation paid by category of director /Audit & Supervisory Board member, total compensation by type, and the number of directors and Audit & Supervisory Board members covered

Category of director / Audit & Supervisory Board member	Total compensation (¥ million)	Total compensation by type (¥ million)			Number of directors and Audit & Supervisory Board members covered
		Fixed compensation	Performance-based compensation		
			Bonus	Stock compensation	
Directors (excluding outside directors)	727	395	253	79	9
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	60	60	—	—	2
Outside directors and Audit & Supervisory Board members	138	138	—	—	8

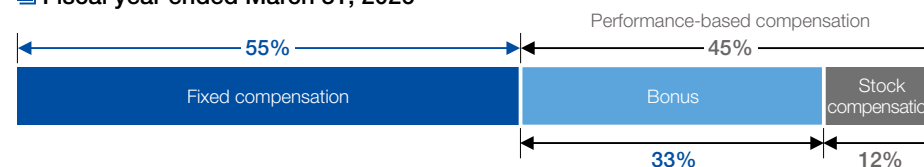
Note: 1. Bonus amounts shown are the amounts scheduled to be paid as bonuses for the fiscal year under review.
2. There were eight inside directors, two inside Audit & Supervisory Board members, and eight outside directors and Audit & Supervisory Board members as of the end of the fiscal year ended March 31, 2026.

Company directors and total compensation

Name	Total compensation (¥ million)	Director type	Company	Total compensation by type (¥ million)		
				Fixed compensation	Performance-based compensation	
					Bonus	Stock compensation
Yoshinari Kitajima	284	Director	Dai Nippon Printing Co., Ltd.	170	80	34
Kenji Miya	105	Director	Dai Nippon Printing Co., Ltd.	56	37	11

Note: 1. Total compensation is shown only for those with compensation of at least 100 million yen.
2. Bonus amounts shown are the amounts scheduled to be paid as bonuses for the fiscal year under review.

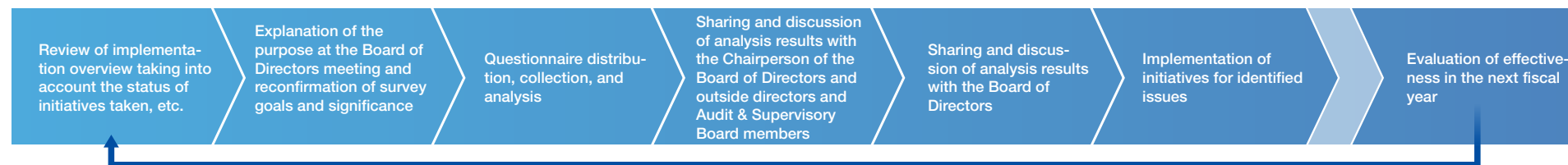
■ Fiscal year ended March 31, 2026



Evaluation of the Overall Effectiveness of the Board of Directors

Implementation and Evaluation Process

In April each year, we evaluate the overall effectiveness of the Board of Directors with the goal of helping the Board of Directors function better overall and strengthening its oversight function. This is done through gathering candid opinions of directors and Audit & Supervisory Board members on the current structure of the Board of Directors and its activities, and systematically evaluating the status of the Board of Directors' responses to identified issues in the following fiscal year.



Summary of effectiveness evaluation for the fiscal year ended March 2026 (11th evaluation)

Goal	To assess whether the Company's governance structure is functioning effectively in light of recent trends in corporate governance and to reaffirm the Company's strengths from a corporate governance perspective.
Questionnaire content	Verified the status of initiatives taken in response to the results of the 10th effectiveness evaluation and structured the survey questions in consideration of the fact that this is the year to formulate a new Medium-Term Management Plan aimed at further growth while assessing the progress made during the three-year period of the current Medium-Term Management Plan
Summary of analysis and evaluation results	- The 11th Board Effectiveness Evaluation was conducted at a time of transition, as the Company reviewed the current Medium-Term Management Plan while formulating a new Medium-Term Management Plan. Nevertheless, the Company believes that the overall effectiveness of the Board of Directors has been maintained at the same level as in the previous year. - Regarding the questions on the effectiveness of our governance structure, agenda setting for Board of Directors meetings, and support system for outside directors and Audit & Supervisory Board members, these areas were evaluated highly. For each of these items, respondents also provided comments encouraging the Company not to be complacent with the current situation but to continue seeking further improvements. - Meanwhile, regarding the questions on the progress of individual investment projects and Group governance, evaluation was lower than the overall average. These areas were recognized as themes that should be more deeply discussed in the process of formulating a new Medium-Term Management Plan.
Status of improvement for issues identified in the previous Board of Directors effectiveness evaluation	(1) Further enhancing discussions on the review of the current Medium-Term Management Plan and the formulation of the next Medium-Term Management Plan In preparation for the formulation of the new Medium-Term Management Plan, the Board of Directors carefully reviewed and discussed relevant matters. In particular, active discussions were held on human capital, one of the Company's strengths, including the reallocation of personnel in connection with business restructuring. At the same time, certain topics, including the status of Group governance initiatives, were not discussed in sufficient depth and will therefore remain areas for continued focus. (2) Further enhancing feedback to the Board of Directors on dialogue with stakeholders, including shareholders and investors The Company worked to enhance its external communications, including by participating in conferences for overseas investors and having outside directors speak at sustainability briefings. Progress on these initiatives was reported to the Board of Directors as appropriate, which the Company believes contributed to more active discussions at the meetings of the Board of Directors with greater consideration given to the perspectives of shareholders and investors.
Future initiatives based on the analysis results	(1) Enhancing follow-up on the progress of individual matters to ensure timely and appropriate oversight of the implementation of the new Medium-Term Management Plan In formulating the new Medium-Term Management Plan, the Company reviewed the previous Medium-Term Management Plan. To ensure appropriate oversight of the implementation of the new Medium-Term Management Plan, the Company will further enhance reporting to the Board of Directors on the progress of individual matters, including investment projects and various initiatives. (2) Further enhancing feedback on dialogue with all stakeholders In addition to dialogue with shareholders and investors, the Company will further promote collaboration with other stakeholders by enhancing feedback to the Board of Directors on dialogue with employees, business partners, and other stakeholders.

Dialogue with Shareholders and Investors



Advancing management and information disclosure through dialogue with shareholders and investors

Kazuhiko Sugita, Senior Managing Director, responsible for the IR and Public Relations Division

DNP views dialogue with shareholders and investors as an important opportunity to enhance corporate value. In fiscal 2025, we expanded opportunities for dialogue by increasing our participation in overseas roadshows and domestic and international conferences, holding a large-group meeting with the president, and featuring an outside director as a speaker at a sustainability briefing. We are also strengthening communication with overseas institutional investors by expanding English-language disclosure and issuing sponsored research reports.

Through these dialogues, we reaffirmed the need to explain DNP's strengths, competitive advantages, and growth strategy more clearly. We share this feedback with the Board of Directors and use it to inform the formulation of the new Medium-Term Management Plan and enhance information disclosure. At last year's IR-Day, we explained our Focus Businesses and our approach to the business portfolio at an early stage. We then continued the dialogue, deepening discussions through events including a briefing on the outline of the new Medium-Term Management Plan. At this year's IR-Day, under the theme "Sources of Competitive Advantage," we sought to deepen understanding of the essence of DNP's strengths and the R&D capabilities that underpin its growth. We will continue to engage in constructive dialogue, incorporate those insights and feedback into management and information disclosure, and work to sustainably enhance corporate value.

Policy for IR activities

To sustainably enhance corporate value, the DNP Group is expanding opportunities for constructive dialogue with shareholders and investors, including financial results briefings and IR meetings attended by the president and other senior management. The outcomes of these dialogues are shared with the Board of Directors and used to inform management decision-making.

Key IR activities results

Activities	FY2023	FY2024	FY2025
Individual IR meetings	169	194	193
President's small-group meetings	1	2	1
President's large-group meetings	-	-	1
Financial results briefings for institutional investors and analysts	2	2	2
Business strategy briefings for institutional investors and analysts (IR-Day)	-	1	1
Medium-Term Management Plan outline briefings	-	-	1
Sustainability briefings for institutional investors and analysts	1	1	1
Facility tours for institutional investors and analysts	-	1	-
Conferences hosted by securities companies (domestic)	1	3	6
Conferences hosted by securities companies (overseas)	-	2	2
Overseas roadshows	-	-	1
Company briefings for individual investors	1	1	1

Main dialogue themes

- Basic concept of the next Medium-Term Management Plan (medium- to long-term business strategy)
- Business strategy to improve profitability (growth strategy, business restructuring)
- Financial strategy to improve capital efficiency
- Non-financial strategy to enhance sustainability (human capital, intellectual capital, environment, procurement, etc.)
- Shareholder returns policy
- Enhancement of information disclosure
- Strengthening of corporate governance (strategic shareholdings, composition of the Board of Directors), etc.

Initiatives based on dialogue

- Improving the quality of briefing materials
- Information disclosure for overseas institutional investors
- Expanded disclosure of focus business areas
- Holding business strategy briefings (IR-Day)
- Disclosure of supplementary materials for financial results briefing, etc.

Dialogue between Outside Directors

The roles and effectiveness of the Board of Directors in enhancing corporate value

Hiroshi Shirakawa, Outside Director  **Mika Kumahira**, Outside Director

This year, which marks both the 150th anniversary of DNP's founding and the first fiscal year of the new Medium-Term Management Plan (hereinafter the "new MTP"), DNP has taken its first step into a new growth stage with the aim of sustainably enhancing its corporate value.

In this dialogue, Outside Director Hiroshi Shirakawa and Outside Director Mika Kumahira discussed the perspectives they bring to overseeing DNP's management and how they contribute to the enhancement of its corporate value through discussions when formulating the new MTP and through initiatives for improving the effectiveness of the Board of Directors.



Hiroshi Shirakawa

After serving in a number of key positions, including Executive Officer of TAISEI CORPORATION in 2012, Managing Executive Officer in 2015, and Senior Managing Executive Officer, Member of the Board in 2019, he was appointed as an Outside Director of DNP in June 2022. Since June 2023, he has also served as a member of the Advisory Committee.

Mika Kumahira

Appointed Representative Director of Atech Kumahira Co., Ltd. in 1997, she has also served as Representative Director of KUMAHIRA SECURITY FOUNDATION, Principal of Institute of Diversity Promotion, Career College of Showa Women's University, and as an outside officer of listed companies. She was appointed as an Outside Director of DNP in June 2025.

Kumahira: I'm only in my second year as a director at DNP, but I'd like to take this opportunity to share my impressions so far.

Shirakawa: I'm now in my fifth year, but I'm hoping that you might share some lesser-known aspects of DNP's value that I have yet to recognize.

Reflecting back on Board of Directors discussions aimed at formulating the new MTP

Shirakawa: Going back to the fundamentals for a moment, corporations, including DNP, are supposed to be organizations that leverage their strengths to help solve the problems faced by their customers and by society. Through these efforts, they generate sustainable earnings. It's important that they use those earnings to provide returns to shareholders and reinvest them in human resources, technologies, and the corporation's business foundation, strengthening relationships with stakeholders and leading to further value creation.

Kumahira: Board of Directors meetings are the linchpins of corporate governance. Outside directors are tasked with improving the oversight functions of the Board of Directors in order to enhance corporate value over the medium and long term from their positions of independence.

Shirakawa: This year is DNP's 150th anniversary, and we announced the new three-year MTP in May. Based on the Basic Management Policy announced in 2023, this new plan is positioned as Step 2 of DNP's progress toward its Third Corporate Founding. Before discussions on the new MTP began, we reviewed not only the previous Medium-Term Management Plan but also the Company's history of taking on new challenges, from its founding to today.

Kumahira: As you said, in formulating the new MTP, we looked back at the Company's long history of taking on new challenges, and the Board of Directors reaffirmed its shared understanding of the Company's strengths and the sources of its value creation. We were able to discuss plans based on this common understanding, which I

Dialogue between Outside Directors

believe will be extremely significant in improving our future oversight functions.

Shirakawa: Since its foundation, DNP's history has consisted of taking on challenge after challenge to create future standards. Looking back on this history of taking on challenges, was there anything you thought was distinctive or unique to DNP?

Kumahira: At DNP, "challenge" isn't just a slogan. It's a part of the Company's DNA, passed down among all employees since the Company's founding. I've experienced this culture during my visits to various sites. One thing that stood out about the new MTP is that, to pass this DNA on to the next generation, investment in people was positioned as an investment in the future that will generate corporate value.

Shirakawa: In addition to the new MTP, the Board of Directors also discussed growth investment, structural reforms, and many other individual agenda items. There were also different expectations and different ways of looking at risk and return for individual agenda items depending on whether they were positioned as relating to Focus Businesses, Growth-Potential Businesses, Stable Businesses, or Businesses for Reforming. The Board of Directors doesn't make decisions using one-size-fits-all standards, but instead considers it important to confirm growth potential, profitability, capital efficiency, and risk management, taking into consideration the positioning of each business and the issue's time horizon. Are there any particular items that you focus on in agenda discussions?

Kumahira: Through *TAWA* (dialogue) with corporate officers, I strive to identify whether growth investment that leverages P&I contributes to the enhancement of our corporate value, given changes in the environment such as exchange rate fluctuations, tariffs, and geopolitical risk. Then, having done so, I oversee decision-making from a medium- to long-term perspective.

Shirakawa: The same is true for me. It's important to make decisions with an eye toward medium- and long-term corporate value enhancement, rather than focusing solely on short-term profits. I take care not to dwell on minor details or insist on my own views during discussions, to ensure that I'm contributing to substantive

discussions given the limited amount of time available. I feel like the same is true for all of the other outside directors, as well.

Kumahira: I try to ask questions that really get at the heart of the matter. In investments in new businesses, I try to deepen my understanding in advance of the Board of Directors meeting so I can contribute to constructive discussions.

Shirakawa: Ideally, we should be engaging in discussions that aren't just about the viability of the growth potential of new businesses, but also how much room there is to extend P&I, which is one of DNP's strengths. We should also take into consideration how committed the management team and employees are to it. Is there anything you do in particular to achieve this?

Kumahira: You can't tell a company's actual situation just by attending Board of Directors meetings. That's why when I visit plants, research labs, and other sites, I try to talk with employees one-on-one. Through this, I gain a deeper understanding of DNP's strengths and the sources of its value creation, and I pay close attention to whether each employee embodies those strengths and is contributing to the creation of greater customer value through coordination across division lines.

Shirakawa: That's the kind of perspective I've come to expect from you. There are a lot of internal deliberations and coordination before an issue is presented to the Board of Directors for discussion. My own previous position was in corporate planning, so I often think about how difficult that process is for the people handling agenda items. But Board of Directors meetings aren't for rubber-stamping proposals. I strive to bring up points that weren't sufficiently addressed in agenda item briefings with the goal of improving the quality of decision-making.

Kumahira: DNP's Board of Directors has outside directors with diverse experience and expertise. I feel that the advice and recommendations they provide, from their varying perspectives, deepen the Board's discussions, improve its decision-making, and help strengthen its governance.

Initiatives to improve the effectiveness of the Board of Directors

Shirakawa: Every year, an effectiveness evaluation survey is administered as a tool for objectively assessing whether the Board of Directors is functioning effectively. This was your first time taking the survey. What did you think?

Kumahira: This year's effectiveness evaluation (performed in April 2026) consisted of a survey about the roles of individual directors and the approach of the Board of Directors as a whole, in light of the review of the previous Medium-Term Management Plan and the formulation of the new MTP. I think it's significant that the Company doesn't simply go through the motions with the survey, but instead uses it as an improvement tool for deepening discussions on the new MTP and dealing with future management issues.

Shirakawa: The outside directors collaborate with the Secretariat of the Board of Directors to assist with the evaluation. It's a slow and steady process, but there are no shortcuts when it comes to strengthening governance



Dialogue between Outside Directors



or improving the quality of Board of Directors meetings. That's why I believe it's so important that annual effectiveness evaluations not be used simply for perfunctory confirmation but instead as a way to implement the PDCA cycle by identifying issues and using the findings to make operational improvements in the following year.

Kumahira: I think it's important not to treat the Tokyo Stock Exchange's Corporate Governance Code as a formality but instead as a set of guidelines for improving the effectiveness of the Board of Directors and enhancing corporate value.

Shirakawa: One of the improvement measures implemented in response to past effectiveness evaluation results has been providing information to outside directors and Audit & Supervisory Board members, such as by holding advance briefings, to minimize the information gap between inside and outside directors. By continuing with initiatives like these, I feel that we free up time that enables us to go beyond just the briefings for the current day's agenda items to discuss more essential points such as the appropriateness of capital allocation and growth investment.

Kumahira: From what I hear, the initiatives carried out so far have improved the information provided to outside directors and Audit & Supervisory Board members. One issue pointed out in the latest effectiveness evaluation is the need to improve the system for continuously following up on the implementation and outcomes of resolutions.

Shirakawa: I want to have as full an understanding as I can of how past Board of Directors resolutions are being implemented when discussing individual agenda items. Advance briefings and the like are used to provide information such as the background to agenda items, but time is limited, and there are limits to how much outside directors can understand given their positions.

Kumahira: Resolutions that are passed do not always go as initially planned. What's important is to continuously follow up on the decisions made by the executive team in response to changes in the environment and whether the resulting outcomes are contributing to business development and the creation of new value. I think that's one of the critical roles of an outside director.

Shirakawa: DNP's Board of Directors regularly receives reports on business execution from corporate officers, and those presenting them create materials and provide reports that address key points as best they can. I look forward to corporate officers focusing even more on the key points so that they can provide sufficient information even given the time constraints we are under.

Kumahira: Agenda item briefings in Board of Directors meetings cover not only the conclusions but also the background and how the agenda items relate to DNP's strengths and value creation, so they lead to higher quality discussions. For that reason, I think that in evaluating effectiveness, it's important to continuously confirm the sufficiency of briefings and the information that is shared.

Shirakawa: Talking directly with employees provides valuable opportunities, as it allows us to gain a firsthand understanding of the capabilities of employees on the front lines and can provide the background knowledge we need to discuss agenda items submitted to the Board of Directors. I'd be very grateful if the Secretariat of the Board of Directors could think of even more ways to provide opportunities like that.

Roles of outside directors in achieving sustainable growth

Kumahira: Directors are entrusted by shareholders with responsibility for enhancing corporate value over the medium to long term. I therefore believe it is important to maintain a mechanism through which the views and expectations expressed by shareholders and investors are appropriately shared with the Board of Directors and reflected in management decisions.

Shirakawa: I think the Company's Corporate Governance Code initiatives started around 2014, when Mr. Miyajima was appointed as a director. He told me that the investor environment surrounding DNP and the nature of shareholder dialogue based on investor feedback have changed a lot.

Kumahira: From what I've heard, it's clear that DNP has long been engaged in dialogue with the capital market and efforts to strengthen governance. Over time, these efforts have earned the market's trust and enhanced corporate value. As an outside director, I want to keep a close eye to ensure that dialogues with shareholders are being leveraged in the Company's management.

Shirakawa: Outside directors also need to take short-term market views seriously as important signals from the capital markets. But another of our roles is to ask appropriate questions in the event of management decisions that appear to be focused excessively on short-term profits and share prices, and which could negatively affect medium- to long-term growth investment and the strengthening of the Company's business base. We need to oversee decision-making that leads to the sustainable enhancement of corporate value for all stakeholders, including shareholders.

Kumahira: The new MTP clearly sets forth a policy of allocating operating cash flow to growth investment, such as capital investment, R&D investment, and human capital investment. I think the Company's medium- and long-term growth strategy is also easy for shareholders and investors to understand.

Dialogue between Outside Directors

Shirakawa: Going forward, DNP is going to be implementing various business, financial, and non-financial strategies in accordance with the new MTP, and the Board of Directors will oversee their progress. We need to keep a close eye on changes in the business environment and the balance of capital allocation, and to achieve both growth and improved capital efficiency.

Kumahira: The business environment is undergoing dramatic changes, so it will also be important not to cling to a policy after deciding it but instead to make course adjustments as necessary. When we do so, we have to continue to assess not only financial metrics but also the results of our growth investment and human capital investment.

Shirakawa: I expect that various investment proposals will be submitted to the Board of Directors. As outside directors, we must avoid placing so many demands on

individual investment proposals that the Company misses investment opportunities. If we were to do that, we would not be fulfilling the responsibility entrusted to us by shareholders.

Kumahira: It's key that human capital investment is linked to business strategy. I want us to keep a close eye on whether it's contributing to the enhancement of corporate value, including whether an environment is in place in which employees who take on challenges can fully demonstrate their abilities.

Shirakawa: Of course, everyone at DNP understands that its strength lies in P&I, but that doesn't mean that just carrying on with conventional P&I is enough. Also, efforts to expand P&I don't necessarily lead to earnings immediately. I've heard stories about how the technologies that are now pillars of DNP's earnings only came to fruition thanks to knowledge built up over many years.

Kumahira: DNP's competitive advantage lies in its ability to tap the expertise of diverse talent, both inside and outside the Company, and its ability to create new value through collaboration. These efforts may take time, but DNP has a history of developing new businesses and establishing a competitive advantage through initiatives like these. As an outside director, I want to keep that perspective in mind and appropriately oversee and support the Company's efforts to take on new challenges.

Shirakawa: Outside directors can't meet the expectations of shareholders, let alone society, unless they continually reflect on whether they are properly supporting unconventional transformation initiatives that do not simply follow the same path as in the past. We're entrusted with a tremendous responsibility.

Message from Newly Appointed Outside Director

Contributing to the sustainable enhancement of DNP's corporate value from the perspectives of technology and management

Shigeki Fujita, Outside Director

In my previous position, I was involved in technology development, business operations, and corporate management relating to equipment for manufacturing semiconductors, displays, and the like. Because of this experience, I believe that it's not enough for a company to have exceptional technologies; it is also important that it can use those technologies to generate economic and social value and sustainably develop profitable businesses based on them. As the business environment changes dramatically, it is vital for companies to make more multifaceted management decisions while anticipating future technological advances.

I expect DNP to build on its strengths in P&I by combining its broad range of technologies, human capital, customer base, intellectual capital, and other assets developed over the years, and to take on the challenge of creating new value that goes beyond extensions of its existing businesses. As an outside director, I will use my past management experience to question the management team when necessary and support its efforts to take on challenges, thereby contributing to the enhancement of corporate value over the medium to long term.



Human Rights Initiatives

Practicing human rights due diligence

DNP endorses international standards such as the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the United Nations (UN) Guiding Principles on Business and Human Rights. We recognize that respecting human rights is a corporate responsibility and an essential foundation for enhancing corporate value. Based on this understanding, DNP respects the human rights of all stakeholders that are affected by our business activities, and we work to prevent and mitigate any adverse impacts.

Respect for human dignity and diversity is a component of the DNP Group Code of Conduct, which states that we do not tolerate any discrimination based on culture, nationality, creed, race, ethnicity, language, religion, gender, age, and ways of thinking of all persons. The DNP Group Human Rights Policy was established by the Board of Directors in 2020 based on the UN Guiding Principles on Business and Human Rights. Following this policy, we are implementing various initiatives to prevent and mitigate risks related to employee occupational safety and health and the workplace environment as well as adverse impacts such as human rights issues in the supply chain. In recent years, awareness of the importance of respecting human rights has been growing in particular, and since fiscal 2024, we have been accelerating the identification and evaluation of human rights risks related to our business activities. We also engaged external experts to conduct surveys and interviews regarding human rights risks both in Japan and overseas and to analyze potential risks. Taking into account these results and industry-specific risks, we identify the overall human rights risks that should be considered by DNP, and at the same time, identify particularly important human rights risks and work on implementing prevention and improvement measures and evaluating their effectiveness.

In addition, amid the emergence of new human rights issues such as discrimination and privacy infringement stemming from the growing use of artificial intelligence (AI), we formulated the DNP Group AI Ethics Policy and the DNP Group AI Utilization Guidelines, developing an AI audit system and establishing an operational system. At the same time, we are working to minimize adverse impacts.

Regarding human rights risks in the supply chain, we continuously conduct surveys and interviews based on the DNP Group Sustainable Procurement Guidelines for key suppliers that are important in terms of transaction scale and business continuity, confirming their compliance and addressing identified issues. Furthermore, to understand the actual state of human rights issues, we also review management practices at each company, concerns regarding forced labor, and involvement with conflict-affected and high-risk regions.

To ensure access to remediation required under human rights due diligence, we have established a reporting channel that can be used by stakeholders, including employees, former employees, and business partners. We are strengthening its effectiveness through multilingual support.

Going forward, we will continue to review our initiatives in line with social trends and changes in DNP's business activities.

	Salient human rights issues	Initiatives
DNP	• Harassment - Harassment among employees - Harassment of business partners by employees* - Harassment of DNP employees by clients • Workplace safety and health • Long working hours and overwork	Measures against harassment 🔗 Occupational safety and health 🔗 Health and productivity management 🔗
Supply chain	• Forced labor and child labor at business partners*, particularly at raw material production sites • Client companies and their factories engaged in forced labor or child labor	Supply chain management 🔗
Products and services	• Impact of our products and services on safety and health • Indirect complicity in conflict, oppression, etc. through the use of our products and services • Invasion of privacy due to the external leakage of personal information, such as information about consumers	Product and service safety and quality 🔗 Information security 🔗

* Business partners: Suppliers, outsourcing contractors, on-site outsourcing contractors, alliance partners, joint investors, etc.

CASE

Raw materials supply chain management

—Sustainable procurement—

DNP identifies risks in raw materials procurement and implements specific initiatives to address these risks.

The priority human rights issues in our raw materials supply chain are forced labor and child labor. For key suppliers, we continuously carry out surveys and risk assessments from two perspectives: (1) compliance with the DNP Group Sustainable Procurement Guidelines and (2) the procurement of minerals from RMAP-conformant smelters.

To contribute to the sustainable use of forest resources, we established the DNP Group Guidelines for Procurement of Paper for Printing

and Converting and verify the legality of paper procurement. Our compliant procurement rate has reached our target of 100%.

For aluminum, a raw material used in major DNP products, we conduct inspections (including on-site verification and document reviews) on key suppliers and are strengthening our initiatives through 12 regular progress review meetings per year (engagement).

* A program that verifies compliance with responsible minerals procurement based on the evaluations of independent third parties

Information Security

Information security risks

The DNP Group handles a great deal of personal information and confidential information related to its client companies and consumers. We recognize the risks posed by cyberattacks, unauthorized access, information leaks originating in the supply chain, including subcontractors, data tampering, system outages, and other incidents as critical management issues.

Given that these risks could seriously impact our business activities and management, we have established a risk management structure and are implementing organizational measures, personnel measures, and technical measures, including employee training.

Information security strategies and risk management

Based on the concept of “Security by Design,” we incorporate security measures from the planning and design stages, identify and manage risk, utilize objective evaluations by external organizations to verify the effectiveness of our security measures, and continuously pursue improvements.

Our personnel measures include level-specific education and training, ranging from training for all employees to management-level training. Our technical measures include the use of the zero trust concept, XDR, the introduction of cyber hygiene, and other efforts to strengthen our preventive and defensive capabilities.

At the same time, against the backdrop of increasingly sophisticated cyberattacks driven by the expansion of AI and data utilization associated with digital transformation (DX), technological innovations, and geopolitical risks, we recognize that it is difficult to completely prevent these risks. Accordingly, we are working to strengthen resilience based on the assumption that incidents will occur.

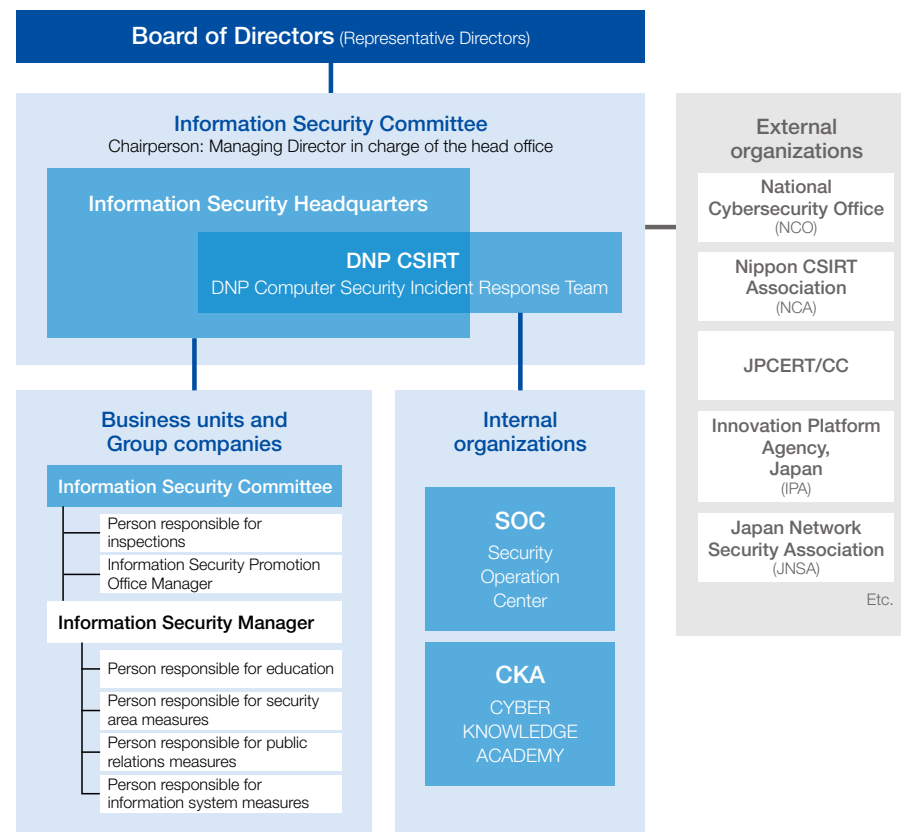
Specifically, we reevaluate our business continuity plans (BCPs), set priorities and identify critical systems based on their impact on business operations and financial performance, shorten recovery times by minimizing impacts, and refine our recovery processes. The status of these measures is regularly reported to and overseen by the Management Committee and other bodies, and is also reported to the Board of Directors. Furthermore, based on a scenario involving a serious incident, we conduct training involving management and strive to improve our decision-making and response capabilities.

Information security governance structure

Through a company-wide structure led by the CISO, DNP responds promptly to information security incidents, including cybersecurity incidents. It has established a governance structure for promoting multilayered measures, including the zero trust concept and talent development, and manages these measures in an integrated manner across its global sites.

■ Diagram of DNP's information security structure

Information security management system



■ Expansion of DNP's specialized cybersecurity support structure

- Expand external response support
- Establish an in-house SOC structure and begin 24-hour monitoring operations in Japan and overseas
- Blanket cyber insurance policy for the Group
- Comprehensive agreement covering legal response support by lawyers in countries worldwide

■ Development of an information security education and training framework by CKA

- Education and development support ranging from basic training for all employees and specialized talent development to simulations for management