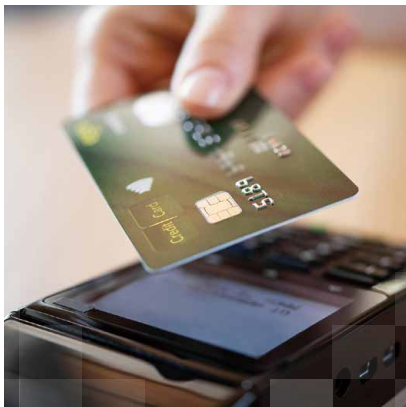
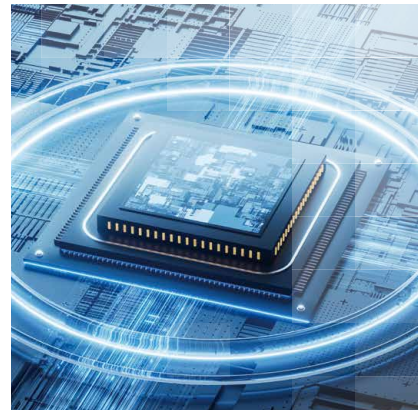


# Integrated Report 2025



# DNP Integrated Report 2025

## Editorial policy

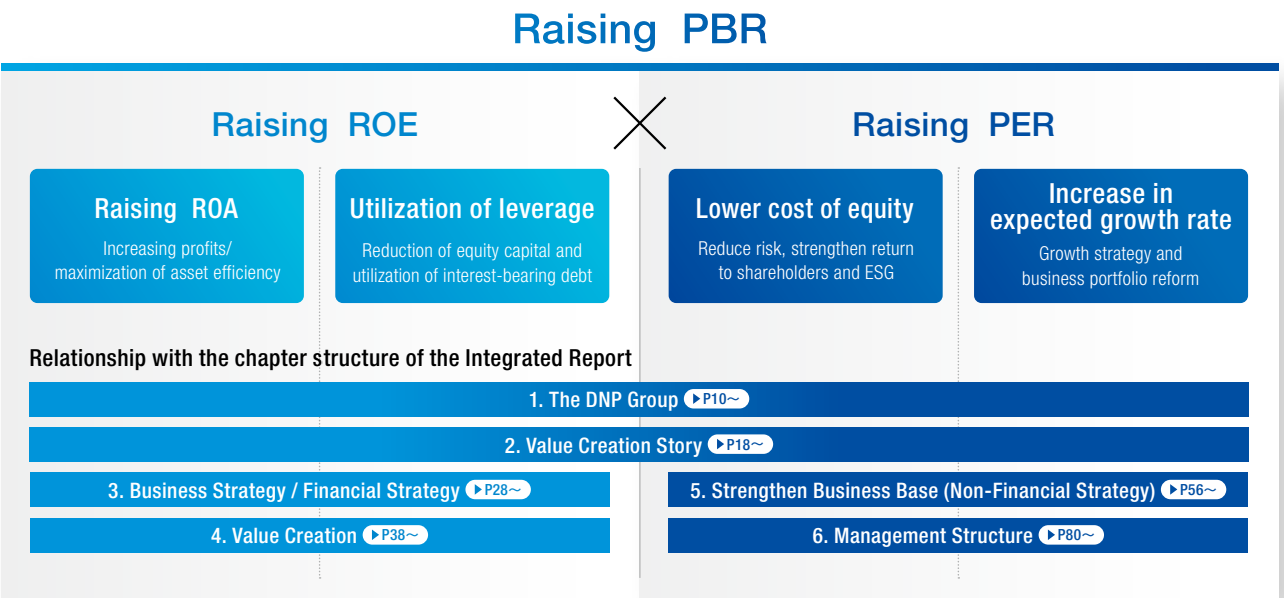
The DNP Group pursues both enhancing corporate value and realizing a “better future” and publishes an Integrated Report to help shareholders, investors, and other stakeholders understand its approach to sustainable growth. In the DNP Group Integrated Report 2025, we have attempted to make improvements from the following three perspectives to help readers truly sense the transformation DNP is promoting for enhancing its corporate value.

Strengthening messages from management	We strengthen messages from the entire management team, including top management, executives in charge, and outside directors, and actively communicate our approach to enhancing corporate value.
Refining our value creation story and materiality	We aim to refine our value creation story by clarifying the strengths of our management capital, linking materiality with our business activities, and further integrating financial and non-financial initiatives.
Improving the quality and quantity of financial and non-financial information disclosure	We explain the progress of the Medium-term Management Plan, the transformation of our business portfolio, specific and quantitative growth strategies for focus businesses toward sustainable growth, and initiatives to strengthen the management foundation to enhance competitiveness.

The DNP Group will continue to value dialogue with all stakeholders. We hope that this integrated report will help readers gain a better understanding of the DNP Group.

## DNP’s approach to enhancing corporate value

The DNP Group regards PBR as a key indicator for enhancing corporate value. Within a table of contents structure designed to facilitate dialogue with stakeholders, we have mapped our initiatives for enhancing corporate value onto a logic tree for “raising PBR” to illustrate how each initiative is interconnected.





## We will continue to embrace change and take on challenges, striving to enhance corporate value and realize a “better future.”

### ① Key Points of the Message

1. We will pioneer the future by leveraging our advanced printing technologies.
2. We will keep our Medium-term Management Plan on track as we actively drive growth investments and reform our business structure.
3. We will engage in *TAIWA* (dialogue) and cooperation to continue contributing to future society.
4. We will anticipate global changes and create new value.
5. We will foster a corporate culture where employees take the initiative.
6. We will proactively engage with capital markets to enhance our corporate value and realize a “better future.”

### Pioneering the future by leveraging our advanced printing technologies

DNP began its publishing printing business in 1876 with letterpress printing, which was then a cutting-edge technology. From those beginnings, we have never limited ourselves to “printing on paper.” Instead, we have continuously advanced our technologies and expanded their applications, always taking on new challenges. Today, that spirit lives on as we provide an extensive range of products and services, including several that command the world’s top market shares, such as metal masks for OLED display manufacturing, optical films for displays, and battery pouches for lithium-ion batteries.

At first glance, some of our businesses may seem far removed from the traditional image of a printing company. Yet for us, these businesses represent a natural extension of the advances we have made through our printing technologies. For example, by applying etching technology originally developed for printing plates, we developed metal masks for OLED display manufacturing. Similarly, by adapting our expertise in packaging films for food and daily necessities, we developed battery pouches for lithium-ion batteries. Today, we are actively pursuing M&A opportunities and combining our strengths in P&I (printing and information) with those of other companies to take on challenges in new fields. One example is our entry into the contract manufacturing organization (CMO) business through collaboration with CMIC CMO Co., Ltd.

I am often asked, “Why not remove the word ‘printing’ from DNP’s corporate name?” My point is clear: all of our business is founded on advanced technologies rooted in the printing process. These technologies are the very engine that enables us to create new value. Further advancing printing technologies is, without question, the key to opening the way to our future.



## Final year of the Medium-term Management Plan: advancing toward our long-term targets

DNP's Medium-term Management Plan (FY2023-FY2025) has been progressing steadily, and through the consistent implementation of initiatives to enhance corporate value, we have already surpassed our initial targets. In fiscal 2024, we achieved operating income of 93.6 billion yen, reaching the plan's final-year target of 85 billion yen a full year ahead of schedule. This achievement was driven by strategic investments in our focus businesses and decisive business restructuring. Looking ahead to fiscal 2025, the final year of the plan, we aim to surpass the amount recorded in fiscal 2024 by achieving our operating profit target of 94 billion yen.

DNP is advancing concentrated investment of more than 260 billion yen in our focus business areas over the five-year period from fiscal 2023 to fiscal 2027. Among these initiatives, M&A serves as a core pillar of our growth strategy. For us, M&A is not simply a means of expanding sales channels. Rather, we place the highest importance on generating significant synergies—particularly in technology and shared value creation. In addition to our previously mentioned collaboration with CMIC CMO, we are working to create new value together with partners that share our strengths, including Shinko Electric Industries, Co., Ltd., HK Holding, and Resonac Packaging Corporation.

As part of business structure reforms, we have consolidated and integrated sales and manufacturing functions within the publishing business, and are working to transform the earnings structure. We are also supporting the reskilling of employees who were previously involved in front-end printing processes, and building environments that encourage them to take on new challenges. Employees equipped with these new skills are already contributing to the creation of next-generation value—for example, through their involvement in five Metaverse spaces for Expo 2025 Osaka, Kansai, Japan. Furthermore, we are strengthening collaboration between our living spaces and mobility businesses, which are scheduled to be integrated in October 2025. We are striving to create new markets by extending our technologies across sectors, such as applying our decorative technologies to both the automotive and building materials industries.

This year marks the final fiscal year of our Medium-term Management Plan. We will not rest on past achievements, but will move forward boldly with our next growth strategy as we continue to take on challenges in pursuit of our long-term targets.

## Maintaining TAIWA and cooperation, and contributing to future society

We have carried forward the founding spirit expressed in our original corporate prospectus—“Run a civilized business”—and we continue to actively engage in activities that create social value. Moreover, I believe that passing on the cultural and intellectual foundations that underpin future prosperity to the next generations is a key element of long-term value creation.

The driving forces behind these initiatives are TAIWA and cooperation with

diverse external partners, together with our colleagues across the DNP Group. We aim to create unprecedented value and achieve sustainable growth by fostering connections that transcend organizations and positions.

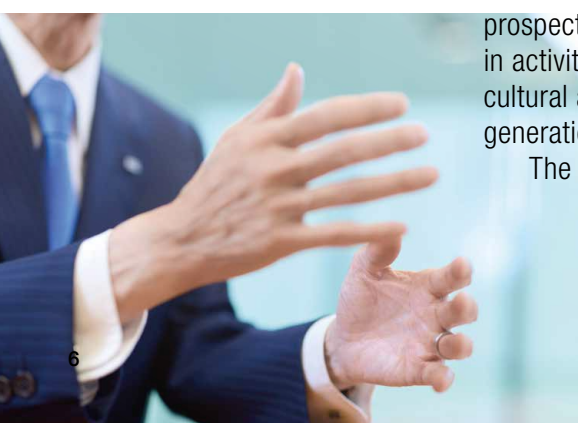
One example of these efforts is our involvement with the Osaka-Kansai Expo, which is built on the concept of a People's Living Lab. As a Gold Partner of the Playground of Life: Jellyfish Pavilion, we are engaged in the planning, production, and operation of many pavilions, both real and virtual. Furthermore, by collaborating with diverse partners gathering at the Expo, we will generate new business opportunities that will lead to the creation of new value.

In 2026, DNP will celebrate the 150th anniversary of its founding. Throughout our history, we have consistently created new and unprecedented value through continuous TAIWA and cooperation with a wide range of stakeholders. Looking ahead, we will continue to take on challenges step by step, while contributing to the society of the future.

## Anticipating change, identifying issues, and creating new value

To ensure our sustainable growth, we must continuously create new value while steadily strengthening our management foundation. To this end, we regularly identify environmental, social, and economic issues related to our business activities and incorporate them into our medium- to long-term management strategies, always taking into account both risks and opportunities. By quickly detecting signs of change and responding strategically, we will further enhance our competitiveness and long-term sustainability.

As part of these efforts, in fiscal 2024 we identified “materiality” as key issues to be prioritized through an assessment and analysis of risks and





opportunities. Building on this, in fiscal 2025 we have further defined the value creation priorities that should guide our business activities from a global and long-term perspective. At the same time, we are accelerating digital transformation (DX), including the company-wide introduction of generative AI, data-driven value creation, and the innovation of business processes. These efforts are the starting point for new growth and will also drive organizational transformation.

We will continue to pursue sustainable growth by responding quickly and flexibly to a market environment where the pace of change is accelerating. Rather than fearing risks, I view change as an opportunity. By continuing to take on challenges, DNP will consistently create the value required by society.

### Fostering a corporate culture where employees think independently and take on challenges

I believe the most important aspect of DNP's transformation is cultivating a culture in which each and every employee thinks and acts independently. For many years, the printing industry has tended to take a "behind-the-scenes" approach—meeting client demands in a passive rather than proactive

manner—and we have thrived within that same culture. Until now, we have grown by overcoming difficult challenges as they arose. Going forward, however, we must proactively create value by anticipating trends in consumers and society. Establishing a culture of continuous challenge will require a fundamental shift in mindset. This is not an easy task. Nevertheless, to realize our Third Corporate Founding, we will foster a culture in which employees take on challenges with determination to make the future better.

In line with this thinking, I make it a priority to engage directly with employees. I regularly visit business sites and plants both in Japan and overseas, where I tell our people: "It's okay to fail—what matters is to keep ambitiously taking on challenges." I truly believe that listening to employees' voices and consistently sending this message as a top manager will inspire them to take bold steps forward.

Because DNP's business domains are broad, employees sometimes find it difficult to see each other's work. Yet within the company, there are always insights that can help solve challenges and seeds that can grow into new businesses. That is why we



have introduced a variety of frameworks—cross-departmental events and seminars, the intranet, and Group communication magazine—to encourage collaboration and the sharing of strengths.

Supporting a culture of taking on challenges also requires that every employee carefully assess changes in the environment and take ownership of their own career path. We are committed to supporting employees in this endeavor through our systems and corporate culture, helping to realize both individual growth and the revitalization of our organization.

I will continue to repeat my message to all employees: "Let's take on the challenge of change." I am confident that DNP's future will be even stronger if every employee believes in their own potential and continues to take on challenges.

### Actively engaging in dialogue with capital markets to enhance corporate value

We are committed to enhancing our corporate value through active dialogue with the capital markets. I believe that clearly communicating our vision and strategies to investors, and earning their understanding, is essential to building trust. To date, we have engaged in dialogue with both domestic and international investors through a variety of opportunities, including briefings on our business strategies and sustainability strategies, plant tours, and overseas IR events. I strongly believe that these experiences have helped accelerate our growth.

These initiatives have been highly acclaimed by numerous stakeholders, including domestic and international rating agencies. Nonetheless, we recognize that many challenges lie ahead. We will carefully consider the opinions we receive, provide timely feedback to management and business divisions, and work constantly to resolve issues while reflecting these insights into our business strategies and growth strategies.

We are currently formulating our next Medium-term Management Plan, which will begin in fiscal 2026. Under this plan, we aim to expand our business areas that achieve an ROE of 10% or higher, and introduce a new KPI—operating profit growth rate of 5% or more—as a concrete target. We will also present a clear strategic roadmap for realizing these goals.

We will continue striving to realize a "better future." I sincerely ask our shareholders, investors, and all stakeholders to look forward to our challenges, and to extend your continued support and guidance.

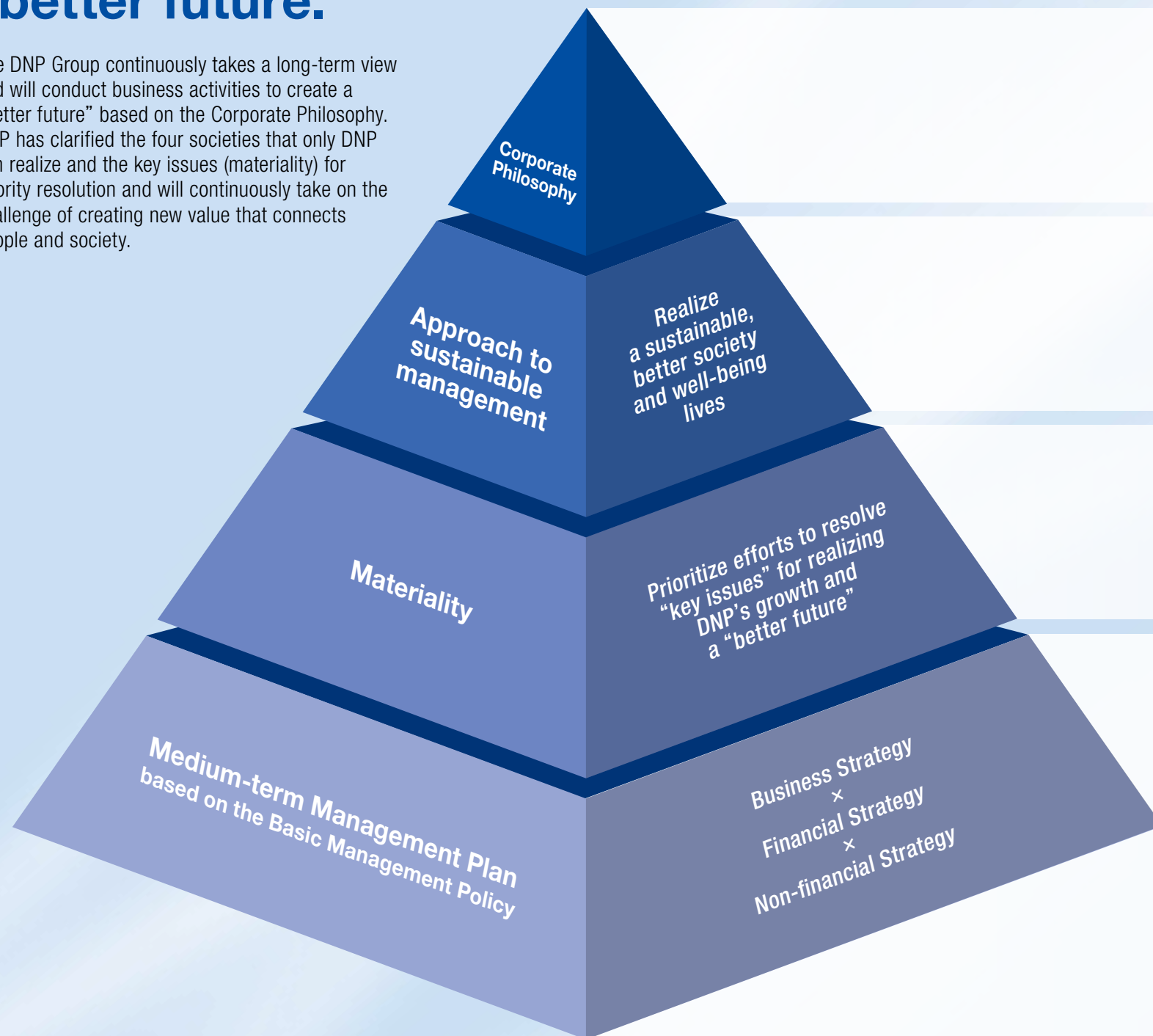
Sharing the message  
"Let's take on challenges"  
to transform DNP



## DNP Group's Vision

# DNP will continue to create value that is indispensable for people and society to realize a "better future."

The DNP Group continuously takes a long-term view and will conduct business activities to create a "better future" based on the Corporate Philosophy. DNP has clarified the four societies that only DNP can realize and the key issues (materiality) for priority resolution and will continuously take on the challenge of creating new value that connects people and society.



## Brand Statement

# Creating future standards

The DNP Group connects individuals and society, and provides new value.

## A "better future" aimed for by DNP

A society where people can live safe, secure, healthy and well-being lives

A society where people can communicate comfortably

A society where people mutually respect each other

A society that realizes a balance between economic growth and the global environment

## DNP Materiality

The DNP Group boosts environmental, social, and economic sustainability by engendering change of our own volition, as well as accommodating change that comes our way with a flexible stance.

The DNP Group improves the quality of experiential value and expands on opportunities for everyone by fusing the real and the digital.

The DNP Group strives to create a place where all the people can play an active role by deepening mutual understanding and mutual recognition.

The DNP Group works to achieve nature-positive value chains by engaging in environmental preservation and reducing negative environmental impacts.

## DNP Group's Basic Management Policy

The DNP Group will create sustained business value and shareholder value, with an ROE target of 10%, and expedite achieving a PBR of more than 1.0X.

## Business Strategy

- Promote business structure transformation and accelerate concentrated investment in priority business and new business linked to the resolution of social issues and megatrends.
- Transform risks in a changing business environment into opportunities for growth through the evolution and cultivation of core technologies.

## Financial Strategy

- Create funding for investment in growth through cash flow generated through business activities, in addition to maximization of efficiency of funds including acceleration of the reduction of assets held.
- Plan the largest acquisition of treasury shares in DNP's history with the aim of improving capital efficiency.
- Seek to further enhance shareholder returns conscious of indicators such as EPS while maintaining stable finances for sustained corporate activity.

## Non-financial Strategy

- Expand investment in people based on the Human Capital Policy.
- Enhance intellectual capital utilizing DNP's unique strengths and external partnerships.
- Contribute to the realization of a decarbonized society, a recycling-oriented society and a society in harmony with nature.

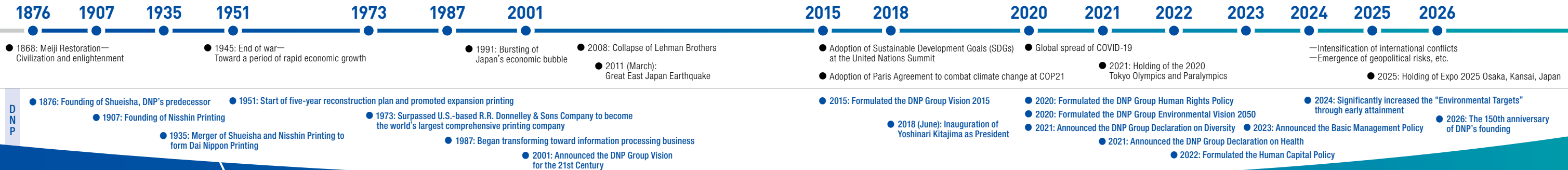


## DNP Group's Value Creation History

We continually advance our printing technologies and provide value that is essential to society in any era.

DNP has always ascertained the changes of times, anticipated the needs and issues of society and people, and continued to take on the challenge of creating new value. Since its founding, DNP has honed its strengths based on printing processes by utilizing the cutting-edge technologies of the times and during the tumultuous postwar period it realized its Second Corporate Founding, which broadened business domains by means of applying and advancing its printing technologies.

DNP will celebrate its 150th anniversary in 2026. Inheriting the words "Run a civilized business" embodied in our corporate prospectus at the time of our founding, DNP aims for its Third Corporate Founding in which it will proactively create a "better future." DNP will continue to provide value as standards that exist as a close part of people's lives throughout the world.



DNP

Publication printing business

Comprehensive printing business

Information processing business  
— Information communication business

P&I Solutions

P&I Innovations



**1877**  
Printed the revised edition of Self-Help



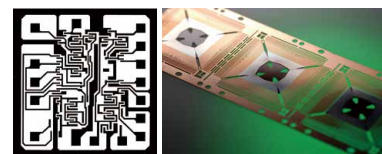
**1945-49**  
Handled part of banknote printing as a private company



**1951**  
Advanced into paper container/flexible packaging field and decorative printed materials field



**1958**  
Succeeded in developing shadow masks for CRTs, thus contributing to domestic production of color TVs



**1959**  
Developed vapor deposition masks for transistors (left)  
▶ Expanded into business for photomasks for semiconductors

**1964**  
Commenced production of lead frames (right)

**1964**  
Handled printed materials for the Tokyo Olympics

**1970**  
Commissioned to plan exhibitions for nine pavilions at the Osaka Expo  
▶ Expanded planning-related business



**1972**  
Full-scale start of Computerized Typesetting System (CTS) (left)

**1983**  
Developed smart cards (right): Commercialized Japan's first rewritable smart card  
▶ Toward gaining the top market share in Japan

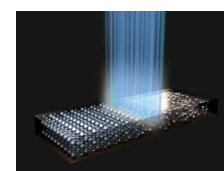
**1985**  
Developed world's first electronic dictionary on CD-ROM



**1985**  
Developed dye-sublimation thermal transfer media—started production: Expanded business due to the spread of photo sticker machines  
▶ Toward gaining the top global market share



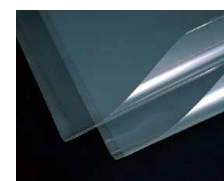
**1985**  
Developed LCD color filter production technology



**1996**  
Began producing various sheets with our unique EB (Electron Beam) coating



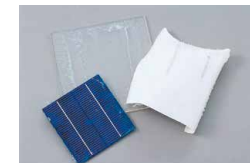
**1997**  
Developed inline aseptic filling system for PET bottles



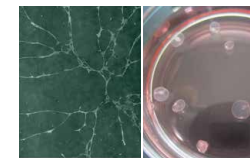
**1997**  
Started full-scale production of anti-reflective film for the surface of displays  
▶ Toward gaining the top global market share



**1999**  
Commercialized battery pouches for lithium-ion batteries  
▶ Toward gaining the top global market share



**2003**  
Developed photovoltaic module components



**2004**  
Successfully created capillary patterns (left)



**2014**  
Developed multifunctional insulation box that keeps the internal temperature constant for an extended period of time without using a power supply.



**2017**  
Developed curved resin glazing: Used in sunroofs and other areas to reduce automobile body weights



**2018**  
Developed a stretchable thin display in collaboration with the University of Tokyo: Skin electronics device that attaches to skin



**2018**  
Developed mono-material film packaging suitable for recycling  
▶ Expanded the product lineup of DNP's eco-friendly packaging



**2019**  
Developed next-generation decorative panels for automobile interiors (left)



**2019**  
Developed sheet-type coil for wireless charging of EVs (right)



**2023**  
Through a strategic business alliance with CMIC HOLDINGS, we promoted integrated manufacturing, from active pharmaceutical ingredients to formulations, and developed value-added pharmaceuticals.



**2023**  
Established joint venture Nanoimprint Solutions with SCIVAX: Responded to mass production needs of nano-imprinted products both in Japan and overseas



**2024**  
Expanded production capacity of metal masks for manufacturing of OLED displays, which have the world's top-share: Started manufacturing large-sized products compatible with 8th-generation glass substrates



**2024**  
Launched sales of the world's lightest-class 8-inch double-sided photo printer  
▶ Strengthened high-added-value photos by integrating diverse functions



**2024**  
Start of Metaverse Government Office service that utilizes virtual space: Improves convenience and reduces burdens for both residents and local governments



**2024-2025**  
The Tokyo Anime Center opens in three locations in North America: communicating the appeal of Japanese content globally

Founding

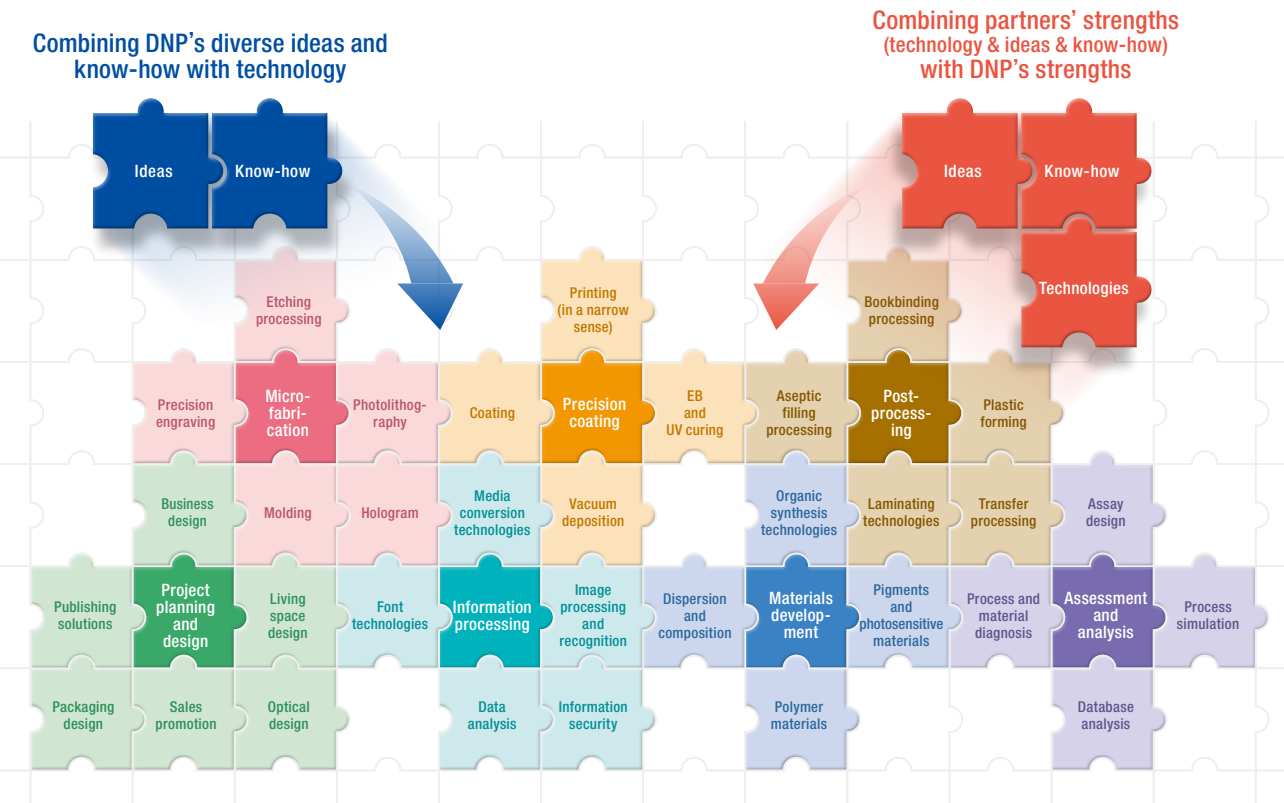
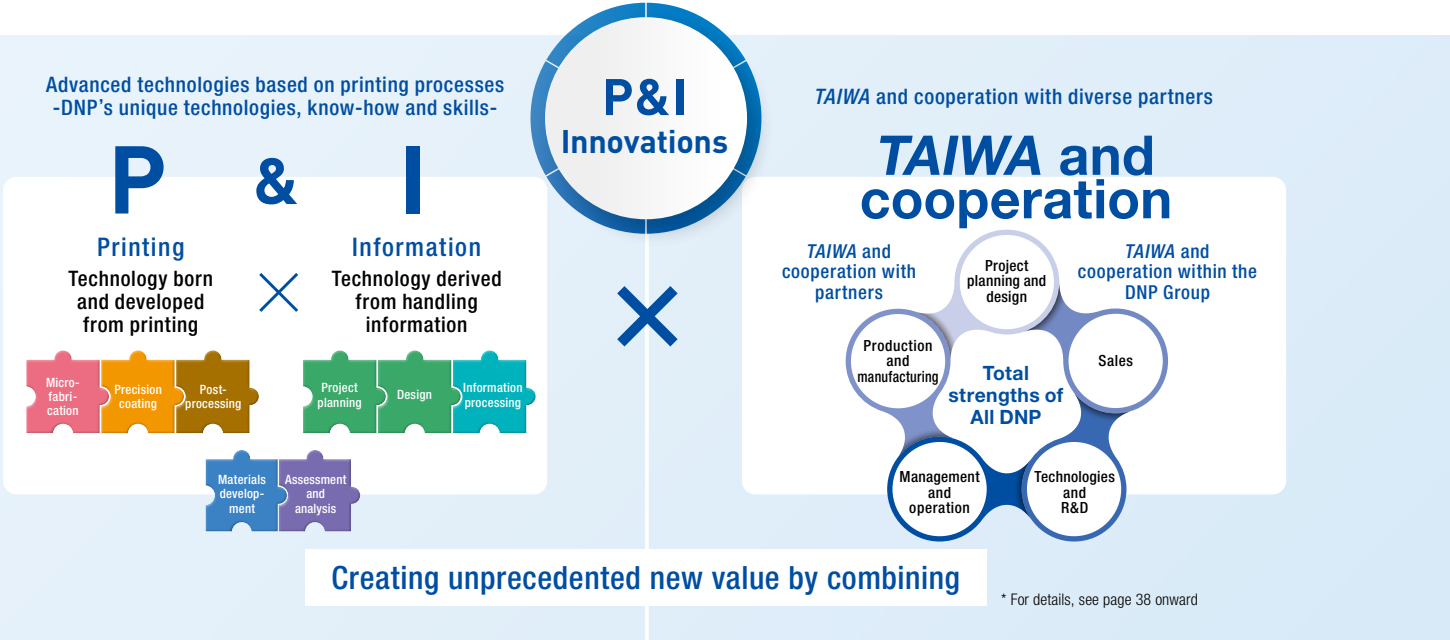
Second Corporate Founding

Toward the Third Corporate Founding

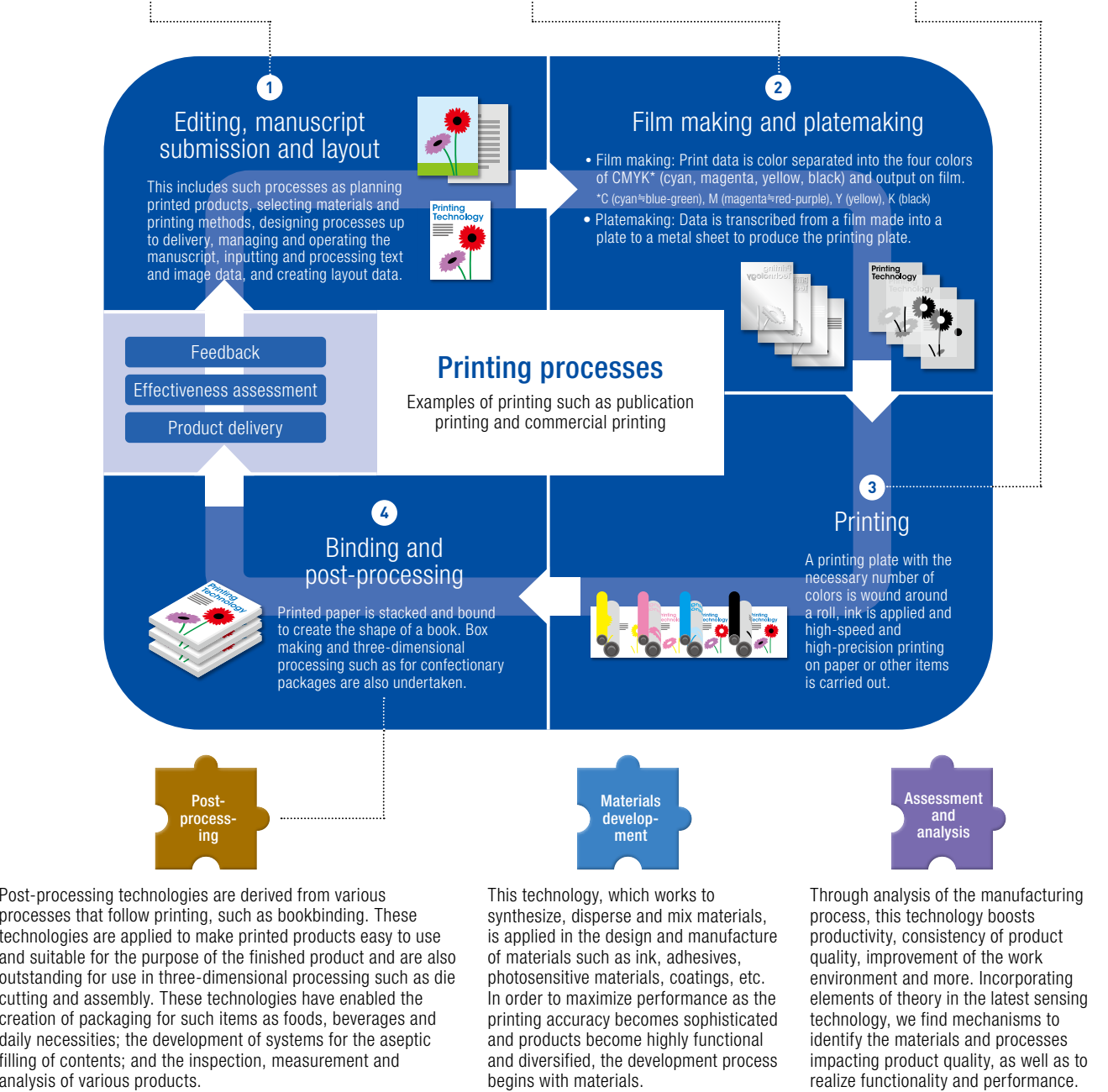
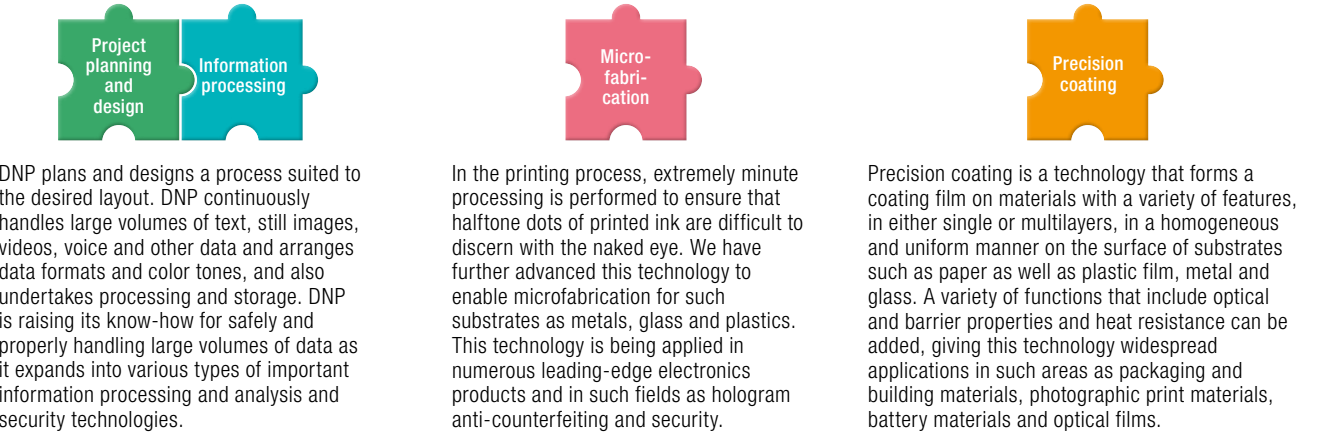
# Strengths and Business Model

## Creating value that only DNP can produce through “P&I Innovation”

DNP creates new value by continually refining technologies based on printing processes to the most advanced levels and applying and advancing these without being bound by conventional wisdom. DNP is promoting unique technological innovations that leverage its strengths in “printing” and “information” by flexibly combining different domains such as analog and digital technologies, reality and virtual reality, and manufacturing and services. DNP will continue to provide the diverse value demanded by people and society by combining DNP’s diverse technologies and further strengthening collaboration with a variety of partners and promoting TAIWA (dialogue) and cooperation.



### Technologies cultivated through printing processes

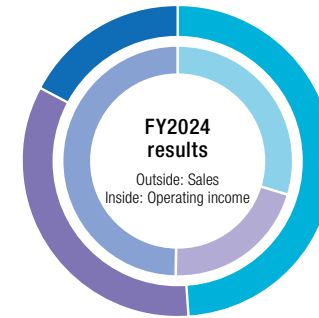




## Business Overview

# We deploy our top-share product lineup globally in business areas established through P&I Innovations.

P&I Innovation, which generates innovative value through DNP's unique technologies and partnerships, has led to an expansion of business areas as a comprehensive printing company, which is rare throughout the world. We are currently developing a range of products across three business segments that continue to secure top market share both in Japan and abroad. We continue to develop and provide value essential to corporate and organizational value chains, as well as to people's lives.



### FY2024 consolidated performance

Sales: **1,457.609 billion yen** Operating income: **93.612 billion yen**

#### Smart Communication

■ Sales:  
**715.5 billion yen** (Ratio by segment 49.0%)  
■ Operating income:  
**34.6 billion yen** (Ratio by segment 29.9%)

#### Life & Healthcare

■ Sales:  
**496.0 billion yen** (Ratio by segment 34.0%)  
■ Operating income:  
**23.7 billion yen** (Ratio by segment 20.6%)

#### Electronics

■ Sales:  
**247.7 billion yen** (Ratio by segment 17.0%)  
■ Operating income:  
**57.3 billion yen** (Ratio by segment 49.5%)

### Smart Communication

#### Imaging communication



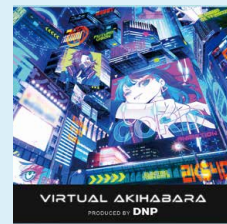
DNP sells dye-sublimation thermal transfer media, for which we hold the top global share, and photo printers in over 100 countries. We deliver smiles around the world through photo experiences and photos.

#### Information Security



By way of services utilizing sophisticated security infrastructure such as Digital Transformation (DX) for verification purposes, payment and BPO, etc., we work to achieve improvements to work styles, as well as do our part for better safety and security in our society in general.

#### Content & XR communication



We enhance the value of the experience for everyone by utilizing Intellectual Properties (IPs) and through the metaverse space, merging real and virtual spaces.

#### Marketing



We develop and provide the highest customer experience value by planning and implementing communication measures between companies and clients while also promoting DX.

#### Publishing

We lend our support to helping people everywhere acquire knowledge by producing and selling books, magazines and e-books, by promoting the global distribution of published content, and by contributing to local community revitalization.

#### Education

We are offering educational platforms, such as Realtendant, through which we achieve education pertinent to each individual child or student, as well as reducing the load of individual teachers.

### Products and services with top market shares in Japan and overseas

#### World's top

Dye-sublimation thermal transfer media for photo prints



#### Japan's top

Smart cards



#### Japan's top

Aseptic filling systems for PET bottles



#### World's top

Battery pouches for lithium-ion batteries



#### Japan's top

Olefin sheet for interior and exterior applications using EB technology



#### World's top

Metal masks for OLED display manufacturing



\*In the case of anti-reflection film and anti-glare film used on the surface of displays

#### World's top

Optical films for displays\*



### Life & Healthcare

#### Mobility and industrial high-performance materials



Our focus is to achieve the next-generation mobility society, which places greater value on transportation by boosting our design and functionality. We are also moving to develop high-performance materials that anticipate change.

#### Medical & healthcare



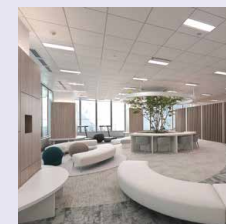
DNP provides pharmaceutical packaging and active ingredients for pharmaceutical companies, and is also entrusted with contract manufacturing of pharmaceutical formulations. We contribute to healthcare by proposing value related to maintaining drug quality and improving convenience.

#### Packaging



We provide packaging globally for food, beverages, home/personal care, etc. We also make your lives better, by providing reliable products and services that at the same time incur less environmental impact.

#### Living spaces



DNP provides new value for all manner of daily-life spaces, including homes, various kinds of architectural buildings, automobiles, train coaches, etc. By enhancing functionality and design, we create more cheerful and comfortable spaces.

#### Beverages



Hokkaido Coca Cola Bottling has promoted its business drawing on the strength of the brand, and provides value to people through the synergies of All DNP.

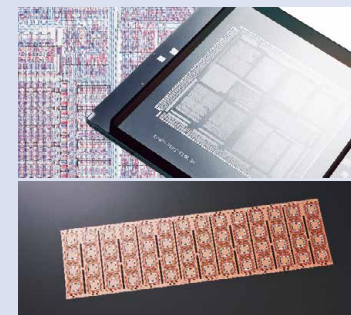
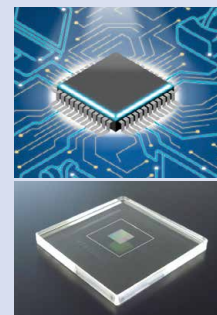
### Electronics

#### Digital interfaces



We develop metal masks to achieve thinner, lighter and higher resolution OLED displays, as well as optical film with a variety of functions that leverage converting technology and our unique material processing technology. From R&D through to mass production, we consistently contribute to the advancement of display technology, helping to create more comfortable lifestyles.

#### Semiconductors



We develop photomasks, lead frames and other key components in semiconductors. We offer high-quality, high-precision products to Japan and the world, including the development of templates for nanoimprint technologies that significantly cut the electrical power required for semiconductor production.

## P&I Innovations

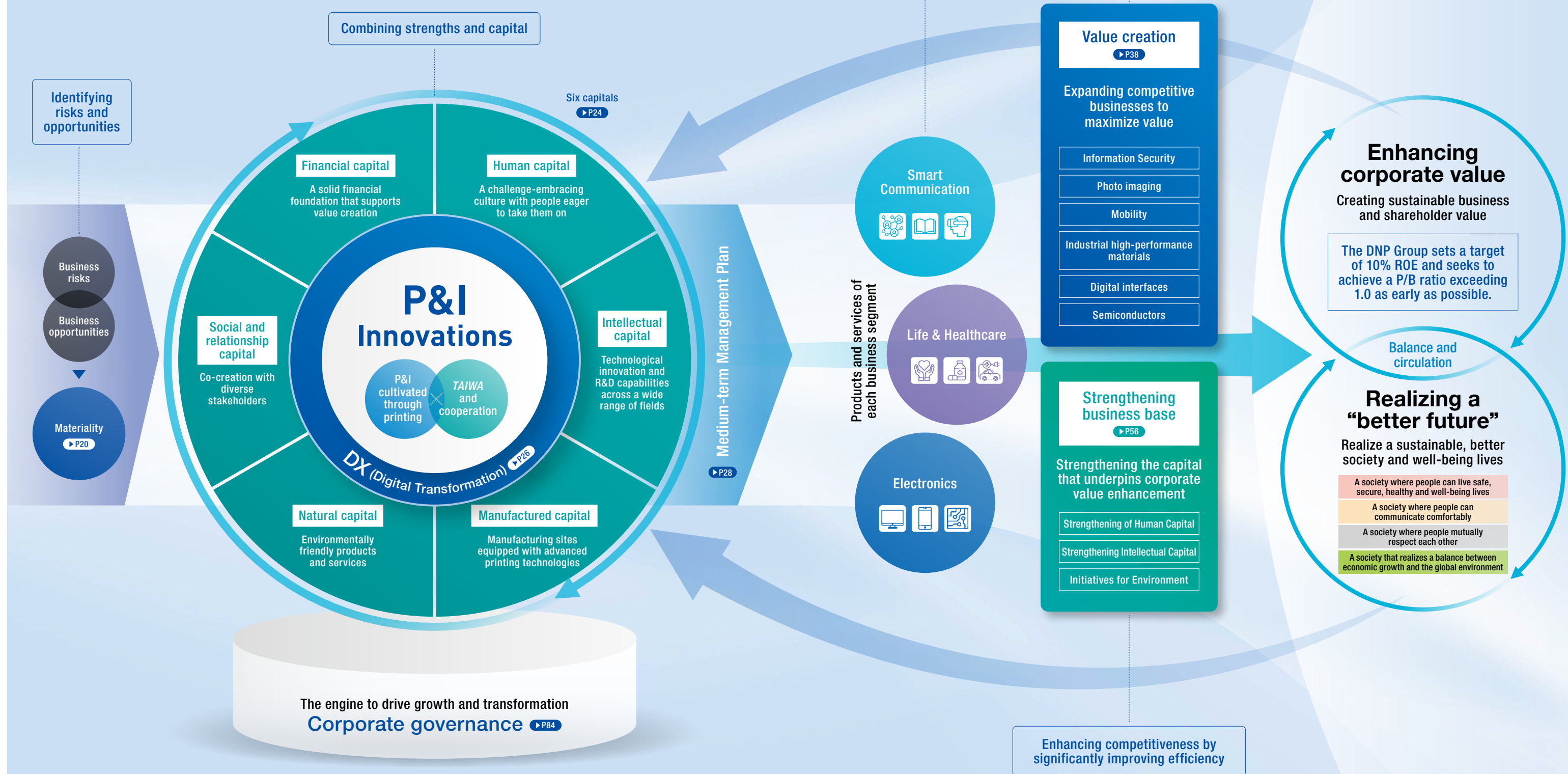
P&I cultivated through printing  
TAIWA and cooperation



# 2 Value Creation Story | Combining P&I's strengths and capital to generate new value

## Value Creation Story

DNP aims to enhance corporate value and realize a better future by leveraging P&I innovations and combining six types of capital.





Materiality

DNP seeks to realize a better future by anticipating change and driving transformation itself.

Identifying risks and opportunities

DNP believes that a healthy society and economy, as well as comfortable and well-being lives for people, can only be sustained on a sustainable earth. In recent years, rapid environmental, social and economic changes have created diverse management challenges. DNP recognizes the importance of accurately identifying these factors, evaluating

associated risks, and incorporating them into medium- to long-term management strategies. By anticipating change and driving transformation, DNP seeks to turn risks into business opportunities, thereby advancing both corporate sustainability and the sustainability of society as a whole.

	Variables	Impact on business activities
Economic-related	<div><div>[Technology trends]</div><div>DX, AI and security</div><div><ul style="list-style-type: none"><li>Acceleration of AI and DX adoption due to advances in digital technologies, leading to changes in work styles and social structures</li><li>Threats to information and cybersecurity</li><li>Expansion of the digital divide and potential privacy infringements, etc.</li></ul></div></div>	<div><div>Risks</div><div><ul style="list-style-type: none"><li>Decline in competitiveness due to delayed adoption of advanced technologies</li><li>Loss of information and expertise due to shortage or outflow of specialized personnel</li><li>Business disruption or reputational damage caused by cyberattacks or misinformation, etc.</li></ul></div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none"><li>Improved operational efficiency and productivity through AI and DX<ul style="list-style-type: none"><li>Transforming communication in government, finance and distribution, and innovating production in manufacturing</li></ul></li><li>Expansion of the digital services market<ul style="list-style-type: none"><li>Providing personalized information and enhancing customer experiences</li><li>Facilitating large-scale data distribution, sharing and utilization under high-security environments</li></ul></li><li>Growing demand for security solutions, etc.</li></ul></div></div>
	<div><div>[Economic activity]</div><div>Globalization, geopolitics and regulations</div><div><ul style="list-style-type: none"><li>Globalization of markets and supply chains</li><li>Structural changes and fragmentation of supply chains due to geopolitical risks and tighter regulations, etc.</li></ul></div></div>	<div><div>Risks</div><div><ul style="list-style-type: none"><li>Disruptions and fragmentation of supply chains, and business stagnation caused by geopolitical risks and advances in AI</li><li>Emergence of new risks due to expansion or changes in business locations</li><li>Business disruption or market exit due to delays in regulatory compliance, etc.</li></ul></div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none"><li>Creation of new markets through globalization and expansion into new business regions</li><li>Stabilization of supply through diversification of procurement and production systems</li><li>Strengthening reliability through supply chain transparency, etc.</li></ul></div></div>
Social-related	<div><div>[Human capital]</div><div>Demographics, talent acquisition and human rights awareness</div><div><ul style="list-style-type: none"><li>Business expansion and population growth globally</li><li>Declining birthrate, aging population and labor shortages in Japan</li><li>Growing awareness of human dignity (human rights and labor conditions), etc.</li></ul></div></div>	<div><div>Risks</div><div><ul style="list-style-type: none"><li>Decline in competitiveness due to delays in securing and developing specialized and DX talent</li><li>Increased importance of supply chain risk management and human rights due diligence, etc.</li></ul></div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none"><li>Optimal talent allocation through recruitment of overseas personnel and reskilling</li><li>Maximizing organizational strength by respecting diversity</li><li>Promoting operational efficiency and social participation through ICT utilization, etc.</li></ul></div></div>
	<div><div>[Value chain-related]</div><div>Culture, systems and ethics</div><div><ul style="list-style-type: none"><li>Geopolitical risks and differences in culture and systems across countries and regions</li><li>Growing importance of ethical corporate behavior and social responsibility, etc.</li></ul></div></div>	<div><div>Risks</div><div><ul style="list-style-type: none"><li>Increased friction and regulatory risks due to differences in systems and culture</li><li>Higher compliance risks, including supply chain risks and human rights issues, etc.</li></ul></div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none"><li>Enhancing corporate value through the establishment of a global governance system</li><li>Strengthening reliability through supply chain transparency, etc.</li></ul></div></div>
Environmental-related	<div><div>[Environment]</div><div>Climate change, resources and environmental regulations</div><div><ul style="list-style-type: none"><li>Increased frequency and severity of natural disasters and water-related risks due to climate change</li><li>Accelerated plastic pollution and loss of biodiversity</li><li>Strengthening of environmental regulations</li><li>Accelerated transition toward decarbonization and a circular economy, etc.</li></ul></div></div>	<div><div>Risks</div><div><ul style="list-style-type: none"><li>Operational suspensions and supply chain disruptions due to natural disasters</li><li>Opportunity losses and increased costs resulting from delayed environmental initiatives, etc.</li></ul></div></div> <div><div>Opportunities</div><div><ul style="list-style-type: none"><li>Expansion of demand for eco-friendly products and services<ul style="list-style-type: none"><li>Increased demand for high-performance/high-value-added products, clean energy-related materials and alternative materials/products</li><li>Accelerated development of next-generation energy</li></ul></li><li>Enhanced competitiveness of products and services through established traceability, etc.</li></ul></div></div>

Identifying materiality

In March 2024, DNP identified its materiality—priority issues to be addressed—as key challenges for realizing the four interrelated societies that it envisions as a “better future.” Based on this materiality, DNP has defined priority areas for value creation in its business activities from a global and long-term perspective.

To achieve both enhanced corporate value and strengthened competitiveness, DNP also focuses on strengthening its business base and thorough risk management, aiming to minimize potential negative impacts.

A better future	Materiality	Priority areas for value creation	Business activities
A society where people can live safe, secure, healthy and well-being lives	The DNP Group boosts environmental, social, and economic sustainability by engendering change of our own volition, as well as accommodating change that comes our way with a flexible stance.	<ul style="list-style-type: none"><li>Developing social environments that enable well-being lives</li><li>Building social and information infrastructure that supports safety and security</li></ul>	Information Security
			Photo imaging
			Mobility
A society where people can communicate comfortably	The DNP Group improves the quality of experiential value and expands on opportunities for everyone by fusing the real and the digital.	<ul style="list-style-type: none"><li>Providing information tailored to each individual</li><li>Enhancing experiences through next-generation technologies</li></ul>	Industrial high-performance materials
			Digital interfaces
			Semiconductors
A society where people mutually respect each other	The DNP Group strives to create a place where all the people can play an active role by deepening mutual understanding and mutual recognition.	<ul style="list-style-type: none"><li>Creating opportunities for everyone to participate</li><li>Ensuring globally accessible information</li></ul>	Strengthening of Human Capital
			Strengthening Intellectual Capital
			Initiatives for Environment
A society that realizes a balance between economic growth and the global environment	The DNP Group works to achieve nature-positive value chains by engaging in environmental preservation and reducing negative environmental impacts.	<ul style="list-style-type: none"><li>Building systems that balance convenience and environmental consideration</li><li>Supporting sustainable economic growth through efficient use of resources</li></ul>	Fair Operating Practices
			Human Rights and Labor
			Environment
			Responsible Procurement
			Product and service safety and quality
			Information Security
			Corporate Citizenship

\* For details, please refer to the next page.

# Business Activities Based on Materiality

By promoting initiatives aligned with the business, financial and non-financial strategies of the Medium-term Management Plan, the DNP Group aims to achieve sustainable growth through creating new value and strengthening its business base.

► Value creation

Aligned with the business strategy of the Medium-term Management Plan, DNP is developing a business portfolio that can leverage its strengths over the medium to long term. In addition, we are proactively investing in areas with

expected market growth where our strengths can be applied, aiming to expand business domains and enhance performance.

Business area	Social value	Economic value
<div>Information Security</div> <div><div></div><div></div></div>	<ul style="list-style-type: none"><li>Realizing a safe, secure and comfortable smart society where people and things are connected</li><li>Contributing to the development of highly reliable social infrastructure</li></ul>	<ul style="list-style-type: none"><li>Providing high-value, one-stop services through optimal combinations of products and services</li><li>Expanding business over the medium to long term by entering emerging markets with expected population growth and economic expansion</li></ul>
<div>Photo imaging</div> <div><div></div><div></div></div>	<ul style="list-style-type: none"><li>Realizing a communication society filled with smiles and a sense of security</li><li>Creating new experiences through photography</li></ul>	<ul style="list-style-type: none"><li>Achieving stable earnings and differentiation through high-quality print products and image-processing technologies</li><li>Maintaining a leading global market share and capturing emerging markets by creating value tailored to regional needs</li></ul>
<div>Mobility</div> <div><div></div><div></div></div>	<ul style="list-style-type: none"><li>Realizing a society where people can move safely and comfortably by integrating the real and digital worlds</li><li>Providing a comfortable in-vehicle experience through in-vehicle interface</li></ul>	<ul style="list-style-type: none"><li>Securing competitiveness in the global next-generation vehicle market with high-value-added automotive products</li><li>Contributing to a recycling-oriented society through eco-friendly products using recycled plastics and other materials</li></ul>
<div>Industrial high-performance materials</div> <div><div></div><div></div></div>	<ul style="list-style-type: none"><li>Contributing to a decarbonized society with materials supporting EVs and renewable energy</li><li>Reducing environmental impact through eco-friendly materials and manufacturing processes</li></ul>	<ul style="list-style-type: none"><li>Expanding markets by maintaining a leading global share and responding to carbon neutrality</li><li>Strengthening global competitiveness through a flexible system that supports local production</li></ul>
<div>Digital interfaces</div> <div><div></div><div></div><div></div><div></div></div>	<ul style="list-style-type: none"><li>Realizing a society rich in sensibility through enhanced visual experiences</li><li>Contributing to the evolution of diverse devices that support intuitive connections with information</li></ul>	<ul style="list-style-type: none"><li>Maintaining a strong market position through advanced mass-production capabilities that meet next-generation display demand</li><li>Achieving high profitability and market leadership through co-creation based on a strong customer base and trust, and delivering high-value-added solutions</li></ul>
<div>Semiconductors</div> <div><div></div><div></div><div></div><div></div></div>	<ul style="list-style-type: none"><li>Contributing to the evolution of high-performance semiconductors that support the next-generation information society</li><li>Building safe and reliable social infrastructure through semiconductor manufacturing</li></ul>	<ul style="list-style-type: none"><li>Achieving high growth through advanced microfabrication technologies and responsiveness to cutting-edge fields</li><li>Ensuring sustainable business expansion by addressing growth sectors and key markets, covering the semiconductor market comprehensively</li></ul>

A society where people can live safe, secure, healthy and well-being lives

A society where people can communicate comfortably

A society where people mutually respect each other

A society that realizes a balance between economic growth and the global environment

► Strengthening business base

As a foundation supporting sustainable growth, DNP is advancing the strengthening of human capital through expanded investment in people based on the Human Capital Policy, the enhancement of intellectual capital by leveraging

DNP's unique strengths and external collaborations, and environmental initiatives aimed at realizing a decarbonized society, a recycling-oriented society and a society in harmony with nature.

Material issues		Key metrics		Targets	FY2024 results	
Strengthening business base ▶ P56	Strengthening of Human Capital	Support for career autonomy of employees and strengthening of organizational capability	DNP version of “compensation and related policies that are more closely founded on a job-oriented perspective”		Implementation completed	—
		Health and productivity management that increases the happiness of employees	Employee engagement survey scores		Up 10% from FY2022	+4.5%
		Hiring, personnel assignment and reskilling based on human resource portfolio	Completion of DX literacy standard basic education course		27,500 people eligible	25,473
		Promotion of D&I (Diversity and Inclusion) utilizing diverse individuality	Ratio of female managers		12 % or more	10.4%
			Percentage of male employees taking childcare leave		100%	96.4%
	Strengthening Intellectual Capital	Creation of new businesses and enhancement of technological strengths	R&D expenditures (annual)		Maintain in range of 30.0 billion yen	37.5 billion yen
		Global rollout of technological strengths				
		Strengthening of stable businesses and cultural reform				
		Sophistication of DX infrastructure	Data management infrastructure	Number of users	Expand to 10,000 people	7,069
				Number of data analysts	Expand to 1,000 people	703
	Number of reports analyzed and visualized			Expand to 1,800 units	1,356	
	Initiatives for Environment	Decarbonized society	Reduction of GHG emissions (Scope 1 and 2)		Down 46.2% from FY2019	Down 18.4%
		Recycling-oriented society	Increase in resource recycling rate		70%	63.5%
		Society in harmony with nature	Reduction of water usage		Down 30% from FY2019	Down 7.7%
			Procurement rate of paper compliant with the DNP Group Guidelines for Procurement of Paper for Printing and Converting		100%	99.5%

► Risk management







To ensure the continuity of its business activities, DNP believes it is essential not only to comply with laws and regulations but also for all employees to act with integrity based on social ethics. From both DNP's perspective, based on the DNP Group Code of Conduct, which defines the standards for employee behavior, and the broader societal perspective, including international norms, we analyze the

importance of key issues and focus on the following critical themes: Fair Operating Practices, Human Rights and Labor, Environment, Responsible Procurement, Product and Service Safety and Quality, Information Security and Corporate Citizenship. Through these efforts, DNP works to thoroughly implement risk management across the entire supply chain.



# Six Capitals

By combining DNP's unique P&I (printing and information)—advanced technologies grounded in printing processes—with six management capitals, we continue to create new value.

Capitals	 <b>Human capital</b> ▶P56	 <b>Intellectual capital</b> ▶P66 ▶P26	 <b>Manufactured capital</b>		 <b>Natural capital</b> ▶P70	 <b>Social and relationship capital</b> ▶P76	 <b>Financial capital</b> ▶P32
Strengths / Vision	<b>A challenge-embracing culture with people eager to take them on</b>  Each employee is a vital foundation and a source of our strengths in creating a “better future.” By investing in human resources, we aim to enhance human creativity on a global scale, maximize the value generated through our businesses, and establish a positive feedback loop that channels this value back into further investment in our workforce—thereby further strengthening our human capital.	<b>Technological innovation and R&amp;D across a wide range of fields</b>  We continue to evolve and deepen our long-cultivated strengths in DNP's unique P&I (printing and information), while strengthening collaboration with external partners to enhance our intellectual capital. Our business, R&D and intellectual property divisions work together in an integrated, company-wide structure—All DNP—to create new value.	<b>Production sites with advanced printing technologies</b>  Based on our business strategy, we actively and continuously invest in equipment—focusing on growth-driving businesses—and enhance profitability through the restructuring of existing printing-related production sites. These efforts strengthen our manufactured capital and serve as the foundation for producing and delivering products and services, enabling the creation of additional value.		<b>Environmentally friendly products and services</b>  DNP aims to realize a decarbonized society, a recycling-oriented society and a society in harmony with nature, as outlined in the DNP Group Environmental Vision 2050. We flexibly adapt to changes in international standards and other frameworks, linking our actions to more effective outcomes and striving for a society where economic growth and the global environment coexist in harmony.	<b>Co-creation with diverse stakeholders</b>  To remain a trusted company for all stakeholders—including employees, business partners, consumers, shareholders and investors, and local communities—we fulfill our responsibilities for value creation, integrity in conduct and transparency. At the same time, we strengthen co-creation with diverse stakeholders to drive the creation of new value.	<b>A strong financial base that supports value creation</b>  By implementing a cash allocation strategy over the medium to long term and building a robust financial base to support it, we aim to secure capital profitability exceeding the cost of capital and achieve the sustainable enhancement of corporate value.
Material issues	<ul style="list-style-type: none"> <li>Support for career autonomy of employees and strengthening of organizational capability</li> <li>Health and productivity management that increases the happiness of employees</li> <li>Hiring, personnel assignment and reskilling based on human resource portfolio</li> <li>Promotion of D&amp;I (Diversity and Inclusion) utilizing diverse individuality</li> </ul>	<ul style="list-style-type: none"> <li>Creation of new businesses and enhancement of technological strengths</li> <li>Global rollout of technological strengths</li> <li>Strengthening of stable businesses and cultural reform</li> <li>Sophistication of DX infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Optimized investment allocation</li> <li>Earning growth through reorganization and effective use of production sites</li> <li>Rapid recovery and business continuity measures (BCM/BCP) considering various potential incidents</li> <li>Establishment of highly competitive, safe, reliable, and high-quality production bases</li> </ul>		<ul style="list-style-type: none"> <li>Net zero GHG emissions from DNP's own business activities</li> <li>Increasing the resource recycling rate</li> <li>Consideration for regional ecosystems</li> <li>Design of eco-friendly products and services, and reduction of negative environmental impacts across the entire supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Building and expanding diverse partnerships</li> <li>Promoting responsible procurement and conducting human rights due diligence across the supply chain</li> <li>Ensuring strict adherence to corporate ethics and compliance by employees</li> <li>Contributing to local communities and broader society through collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Lower cost of equity</li> <li>Increase in expected growth rate</li> <li>Raising ROA</li> <li>Utilization of leverage</li> </ul>
Input	<ul style="list-style-type: none"> <li>Number of employees: <b>36,890</b> (consolidated) Of which <b>3,586</b> are overseas</li> <li>Expenses per employee of education and training: <b>107,000</b> yen (non-consolidated)</li> </ul>	<ul style="list-style-type: none"> <li>R&amp;D expenditures (annual): <b>37.5 billion</b> yen</li> </ul>	<ul style="list-style-type: none"> <li>Global production sites: <b>60</b> in Japan, <b>18</b> overseas</li> <li>Global sales offices: <b>33</b> in Japan, <b>25</b> overseas</li> <li>Annual capital expenditures: <b>76.6 billion</b> yen</li> </ul>		<ul style="list-style-type: none"> <li>Total energy consumption: <b>14,370</b> TJ</li> <li>Water usage: <b>9,060,000</b> m³</li> <li>Paper input: <b>486,000</b> tons</li> <li>Plastic input: <b>292,000</b> tons</li> </ul>	<ul style="list-style-type: none"> <li>Tens of thousands of business partners</li> <li>Suppliers cooperating in responsible procurement activities: <b>285</b></li> <li>Social contribution activity programs conducted: <b>219</b></li> </ul>	<ul style="list-style-type: none"> <li>Stockholders' equity: <b>1,135.8 billion</b> yen</li> <li>Interest-bearing debt: <b>162.0 billion</b> yen</li> <li>Equity ratio: <b>59.2%</b></li> <li>Credit rating: <b>AA-</b> (R&amp;I)</li> <li>Growth investment: <b>182.7 billion</b> yen</li> </ul>
Output	<ul style="list-style-type: none"> <li>Employee engagement survey scores: <b>+4.5%</b> compared with FY2022</li> <li>Completion of DX literacy standard basic education course: <b>25,473</b> people</li> <li>Ratio of female managers: <b>10.4%</b></li> <li>Percentage of male employees taking childcare leave: <b>96.4%</b></li> </ul>	<ul style="list-style-type: none"> <li>Number of data management infrastructure users: <b>7,069</b></li> <li>Number of Japanese patents held: <b>12,564</b></li> </ul>	<ul style="list-style-type: none"> <li>Active investment in focus business areas through expansion of production facilities and M&amp;A</li> <li>Promotion of business structure reform through organizational restructuring and other initiatives</li> <li>Number of major quality incidents: <b>Zero</b></li> </ul>		<ul style="list-style-type: none"> <li>GHG emissions (Scope 1 and 2): <b>866,000</b> t-CO<sub>2e</sub></li> <li>Water discharged: <b>7,140,000</b> m³</li> <li>Total unnecessary objects emissions: <b>219,000</b> t</li> <li>Amount of landfill waste: <b>4,500</b> t</li> <li>Sales of Super Eco-Products: <b>218.9 billion</b> yen (15.0% of total sales)</li> </ul>	<ul style="list-style-type: none"> <li>Supplier survey based on the Sustainable Procurement Guidelines Average score: <b>83</b></li> <li>Procurement papers conforming to DNP Group Guidelines for Procurement of Paper for Printing and Converting Ratio of key suppliers that have obtained the conformance certificate: <b>99.5%</b></li> <li>Donation menu at company cafeteria to support children Total of dishes: <b>38,385</b> / Annual donations: <b>1,920,000</b> JPY</li> </ul>	<ul style="list-style-type: none"> <li>Net sales: <b>1,457.6 billion</b> yen</li> <li>Operating income: <b>93.6 billion</b> yen</li> <li>Net income: <b>110.6 billion</b> yen</li> <li>ROE: <b>9.6%</b></li> <li>Cash flows from operating activities: <b>95.6 billion</b> yen (Excluding proceeds from stock sales in the retirement benefit trust)</li> <li>Share repurchases: <b>64.8 billion</b> yen</li> <li>Total dividends: <b>17.3 billion</b> yen</li> <li>Total return ratio: <b>74.2%</b></li> </ul>
Issues and future initiatives	Based on our Human Capital Policy, we actively and continuously invest in human resources to support each individual's career autonomy and willingness to take on challenges, while fostering a positive organizational culture that supports these efforts.	We continue to invest approximately 30 billion yen in research and development, combining diverse forms of intellectual capital more effectively to accelerate the development and commercialization of products and services. In addition, we are strengthening open innovation through industry-academia collaboration, as well as marketing, R&D and business development activities overseas.	In response to domestic and international market trends, we are developing production sites that create our unique strengths, focusing on growth-driving businesses such as semiconductors, digital interfaces and mobility and industrial high-performance materials. In addition, we are enhancing asset efficiency through the restructuring of production sites in businesses for reforming.		We identify our dependence and impact on the natural environment, and work to enhance the resilience of our business activities against environmental risks over the medium to long term. At the same time, we promote decarbonization and efficient use of resources across the entire supply chain, advancing both value creation and strengthening our business base.	We work to raise employee awareness of compliance and strengthen risk management throughout the supply chain based on the DNP Group Code of Conduct. In addition, we collaborate with diverse stakeholders across the supply chain to promote respect for human rights and reduce negative environmental impact on a global scale.	To achieve sustainable enhancement of corporate value, we actively invest in areas where we have strengths and that offer expected profitability and growth, while further strengthening shareholder returns in line with profit growth. In addition, we will consider the use of leverage to optimize our cost of capital.

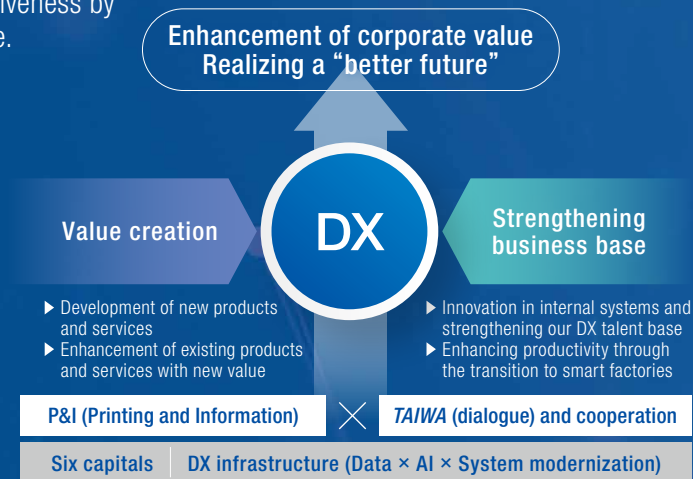
\* As of March 31, 2025

# Value Creation through Digital Transformation (DX)

Through DX, we further enhance the strengths of P&I, driving business transformation and enhancing competitiveness by both creating value and strengthening our business base.

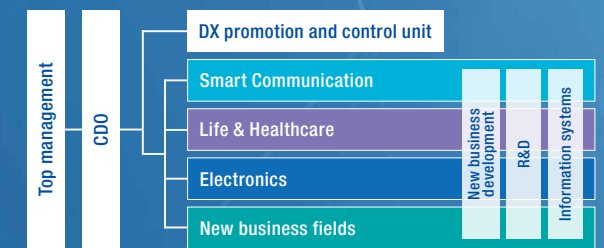
DNP positions DX as a core driver of value creation, guided by our business vision, P&I Innovation. By leveraging the latest digital technologies and data utilization, we further strengthen the capabilities of P&I and establish a competitive advantage through the creation of distinctive products, services, and business models, as well as through the continuous refinement of our operations.

Under our medium- to long-term business portfolio strategy, we create value through the development and transformation of business models, while simultaneously strengthening our business foundation by enhancing competitiveness through innovations in internal systems and substantial improvements in productivity. By advancing both of these strategic pillars, we accelerate value creation through DX.



## Promotion structure

The Chief Digital Officer (CDO), appointed by the President, oversees company-wide DX activities. A dedicated DX promotion and control unit has been established at the head office, and under robust cybersecurity frameworks and appropriate AI governance, each division works collaboratively across functions to implement DX initiatives throughout the company.



## Governance

### Cybersecurity measures

In line with the Ministry of Economy, Trade and Industry's Cybersecurity Management Guidelines, we established the DNP CSIRT to ensure appropriate responses to security incidents. We maintain robust controls across domestic and international sites, provide cybersecurity education to all Group employees, implement AI-driven threat detection, and reinforce factory security. In addition, we are enhancing organizational resilience to enable rapid recovery from potential incidents.

### AI Governance

We have established the DNP Group AI Ethics Policy and are continuously providing employee education while building and promoting a framework to ensure AI governance and reliability.

## Value creation

## Transformation leveraging the strengths of P&I

By integrating P&I Innovations with the strengths of the six capitals through DX, we expand a value cycle co-created with companies, organizations, consumers, and society. We further advance the strengths of P&I through advanced digital technologies and data utilization, transforming both our engineering and value chains. From procurement, design, manufacturing, and distribution to customer touchpoints, we pursue sustainable growth and address social issues across our three business divisions—Smart Communication, Life & Healthcare, and Electronics—through diversification, optimization, and the sophisticated expression of information processing and transmission.

## Strengthening business base

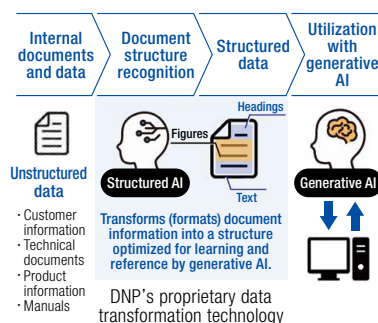
## Enhancing productivity through internal DX

To promote P&I Innovations across the company, we are strengthening DX capabilities, including DX advanced talent, organizational culture, and DX infrastructure. DX is being advanced throughout all areas—management, planning, sales, manufacturing, and R&D—significantly improving productivity through the sophistication of business processes and operations, and contributing to the sustainable enhancement of business competitiveness in alignment with our value creation story.

### Creating a society where AI collaborates with human knowledge

DNP is working to recapture and leverage the knowledge held by companies and organizations, thereby contributing to the realization of an “AI-Ready” society in which AI can be utilized both effectively and safely.

By combining our expertise in structuring vast and diverse information with the latest generative AI, we have developed structured AI technology that transforms organizational data into optimized formats for AI. This approach maximizes the value of data and contributes to the realization of a society in which humans and AI collaborate seamlessly.



### New communication in the real and virtual worlds

DNP is creating new communication and economic spaces that enable people to move seamlessly between the real and virtual worlds, free from divisions of age, gender, nationality, or any other attribute.

By advancing the high-quality expression techniques and large-scale information processing capabilities cultivated through printing processes into high-resolution 3D technologies, we enhance experiential value in XR (Extended Reality) virtual spaces, supported by safe and secure data distribution.

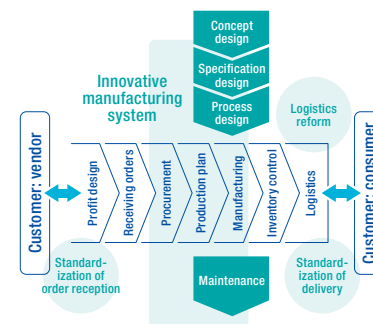


Metaverse Government Office

### Contributing to a recycling-oriented society through manufacturing transformation

By enabling advanced data integration across the entire supply chain, we enhance the flexibility of production planning, shorten time-to-market, and contribute to addressing social issues such as energy conservation, resource circulation, and product recycling.

By applying annealing technology to rapidly optimize work schedules and transportation routes, we improve processes within our factories and enhance productivity through automation.



Strengthening supply chain management

## DX advanced talent and organizational culture

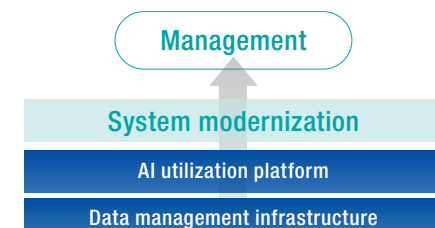
### Reskilled DX talent supporting new businesses ▶ P60

Building on our talent portfolio, we are developing personnel capable of driving “DNP DX.” For example, as part of our business structure reforms, employees who have acquired DX skills through reskilling are reassigned to the XR communication business, where they contribute to value creation through metaverse development.

### Deepening a culture of proactive data and AI utilization

To accelerate the company-wide use of data and generative AI, we strengthen problem-solving and proposal capabilities through design thinking, while encouraging voluntary challenges and mutual recognition via ideathons and the sharing of use cases. In addition, the introduction of no-code tools empowers every employee to drive business transformation, improving both productivity and value-creation capabilities.

## DX infrastructure



We are continuously enhancing our DX infrastructure—comprising the data management infrastructure, AI utilization platform, and system modernization—to drive sustainable corporate growth.

### Our data management infrastructure targets

Indicators	End of FY2024 results	End of FY2025 target
Number of users	7,069	10,000
Number of data analysts	703	1,000
Number of reports analyzed and visualized	1,356	1,800

### Evolving toward a resilient business foundation

In areas where standardization is feasible, we introduce common systems to improve efficiency and optimize costs. In rapidly evolving business domains, we develop flexible, data-ready systems to enhance the competitiveness of each division. Together, these initiatives strengthen company-wide agile management and our overall capacity to respond to change.

### Significantly improving productivity through generative AI

By leveraging advanced AI models, we are automating specialized tasks such as new material discovery and quality analysis in R&D, patent searches and filings for product and service development, and regulatory research. Through these initiatives, we have automated over 50% of conventional tasks, significantly enhancing productivity.

### Realizing agile management through data-driven insights

We have established a data management infrastructure to support the aggregation and utilization of vast volumes of information. Through management dashboards, we can promptly identify changes in the business environment and early signs of risk, enabling rapid decision-making by executives. In addition, by “democratizing” data for applications such as demand forecasting and investment management, we empower employee decision-making across the organization.



## Business Strategy



We will drive focused investment in growth businesses and advance business structure reforms to create sustainable business and shareholder value.

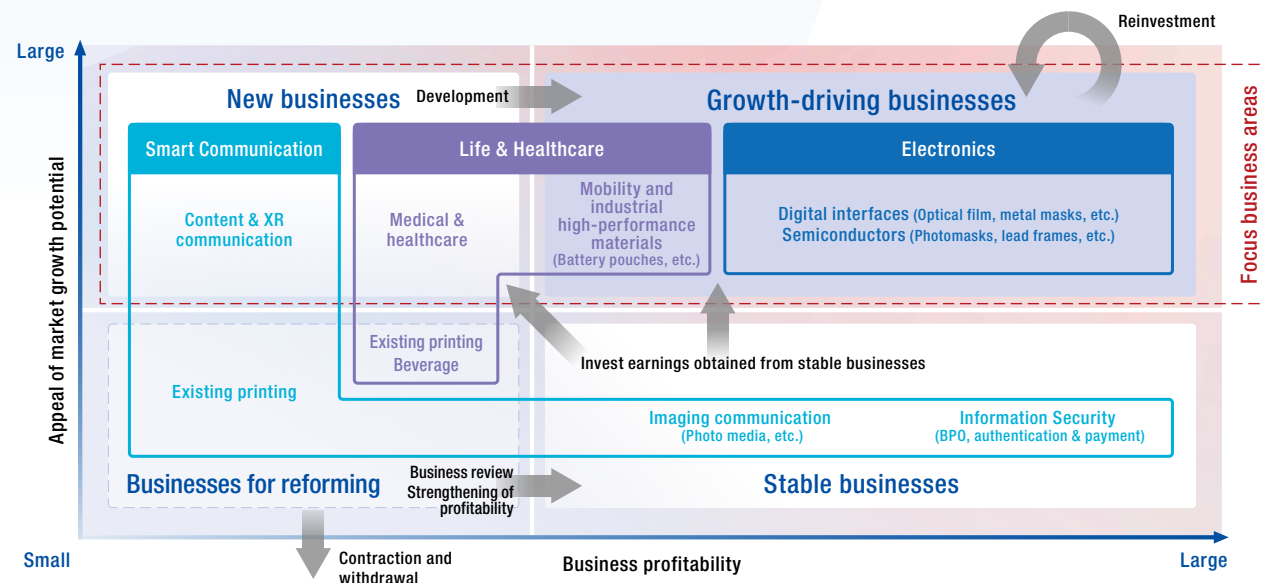
Toru Miyake, Senior Managing Director

### Goals and progress of the Medium-term Management Plan

The DNP Group's Corporate Philosophy is to connect individuals and society, and provide new value. We are dedicated to creating a better, more sustainable society and a well-being life. Our commitment is to address social issues,

create new value that meets people's expectations, and make that value a constant, everyday presence in people's lives. This dedication is embodied in our brand statement: "Creating future standards."

Figure 1 Business portfolio and segment positioning under the current Medium-term Management Plan



Promote concentrated investment and business structure transformation into focus business areas made up of growth-driving businesses and new businesses with the aim of building a business portfolio resilient to changes in the business environment

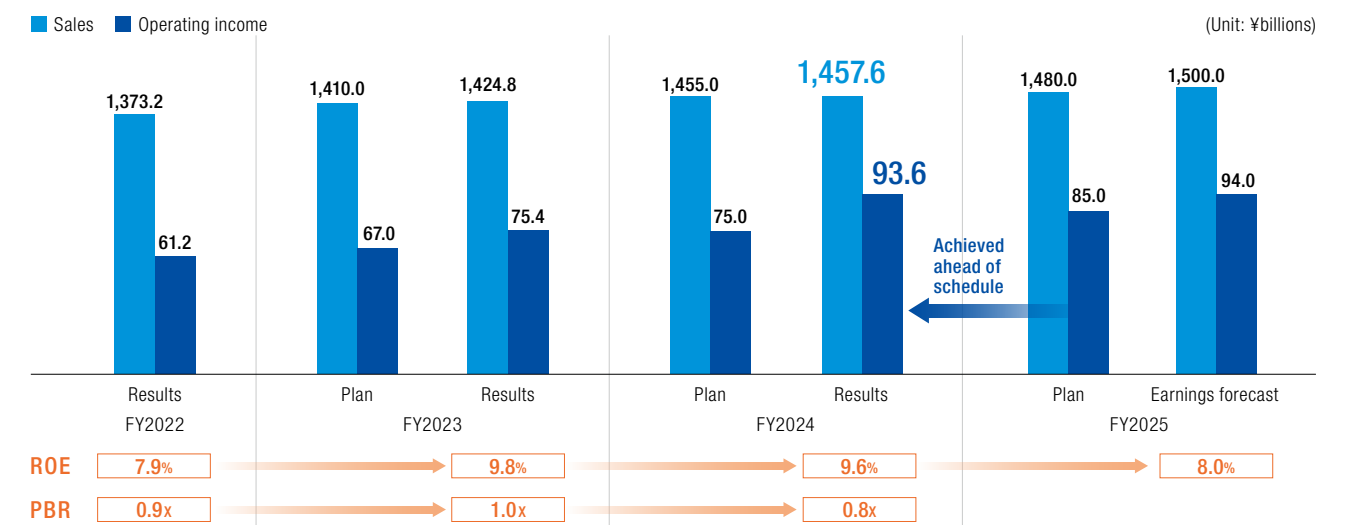
Under our current Medium-term Management Plan for fiscal 2023 to fiscal 2025, we classify our businesses into four categories—growth-driving businesses, new businesses, stable businesses and businesses for reforming—based on two axes: market growth potential/attractiveness and business profitability. Among these, growth-driving businesses and new businesses, which operate in markets with high growth potential and appeal, are designated as our focus business areas. We are steadily advancing growth investments centered on these focus business areas, while also implementing business structure reforms across all operations to optimize organizational frameworks according to market trends and business scale. Through these efforts, we aim to create sustainable business and shareholder value, achieve a return

on equity (ROE) of 10%, and drive continuous improvement in the price-to-book ratio (PBR). (See Figure 1.)

In the second year of our Medium-term Management Plan, fiscal 2024, steady investments in growth areas and efforts in structural reforms contributed to achieving the operating income target of 85 billion yen, set for the final year of the plan, ahead of schedule.

Although ROE reached 9.6%, nearing the target of 10%, actual ROE excluding extraordinary gains and losses stands at around 7%. We will continue working to further improve capital efficiency. (See Figure 2.)

Figure 2 Overview of financial results for FY2024: Sales and operating income



By segment, the Smart Communication segment performed well, driven by strong sales of photographic print materials and payment-related products, including smart cards. In contrast, business process outsourcing (BPO) declined due to the absence of large projects as in the previous year, and the paper-based media market, including publishing, continued to contract. As a result, although overall segment sales decreased year on year, business restructuring and foreign exchange effects contributed to profit, which exceeded the previous year's level.

The Life & Healthcare segment saw strong performance, driven by robust demand for battery pouches for IT devices and photovoltaic module components, as well as continued healthy demand in the packaging and beverages businesses. In addition, cost-reduction efforts targeting both variable and fixed expenses contributed to overall results, with the segment achieving year-on-year increases in both sales and profits.

The Electronics segment was affected by increased depreciation costs due to the expansion of the production line for metal masks for OLED display manufacturing. However, strong performance in optical films and semiconductor production photomasks supported the segment, resulting in year-on-year sales growth and profit maintained at the same level as the previous year.

Although fiscal 2025 will be marked by a highly uncertain environment, including U.S. tariffs, geopolitical risks and foreign exchange fluctuations, we expect operating income of 94 billion yen, exceeding fiscal 2024. This outlook reflects the expansion of our focus business areas, in which we have been actively investing under the current Medium-term Management Plan, as well as the steady implementation of business structure reforms.

By segment, the Electronics segment is expected to see continued growth in metal masks for OLED display manufacturing and photomasks for semiconductor production. In addition, business structure reforms in the Life & Healthcare and Smart Communication segments are also expected to contribute to performance.

We will continue working as a united Group to enhance corporate value.

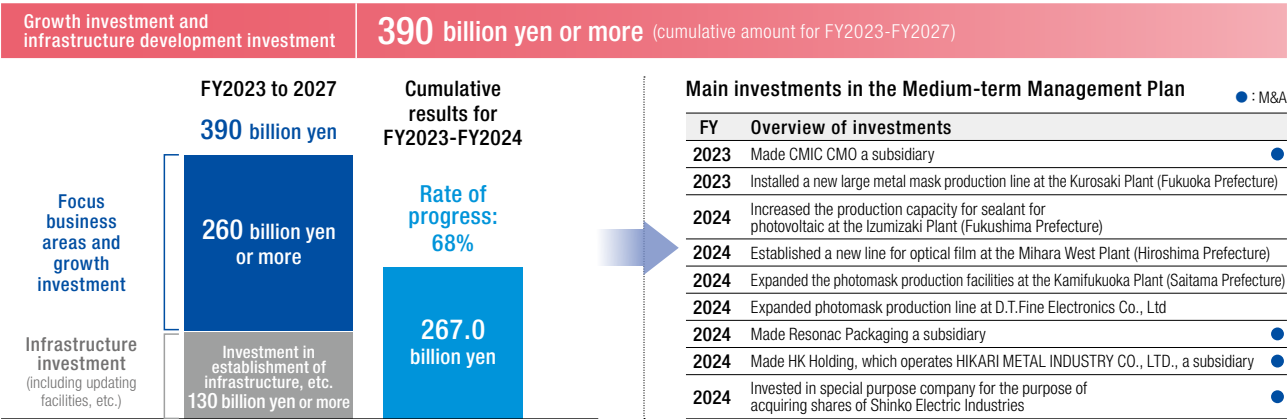
Business Strategy

Regarding one of our business strategies, “concentrated investment in focus business areas,” we have invested 267.0 billion yen over the two fiscal years 2023-2024, achieving a progress rate of 68% against the planned total of at least 390.0 billion yen over five years. Capital expenditures have primarily been directed toward expanding production capacity in high-growth markets, including digital interfaces and semiconductors. In terms of M&A, we have prioritized not only expanding sales channels but also creating technological synergies. By partnering with companies highly compatible with our strengths—such as Shinko Electric Industries Co., Ltd., Resonac Packaging Corporation and HK Holding Co., Ltd.—we are further enhancing our product and technological capabilities. We aim to build relationships with partners who

share our values and create the future together. (See Figure 3.)

In fiscal 2025, we announced the consolidation of Rubicon SEZC, which provides government ID authentication services primarily in emerging countries and regions such as Africa, in the information security field. In semiconductors, we plan to expand production capacity for semiconductor production photomasks and to commence operations of a pilot line for glass cores, an advanced packaging material for semiconductors, at the Kuki Plant in Saitama Prefecture. In the digital interfaces area, the new optical film production line at Mihara West, Hiroshima, currently under construction, is scheduled to begin mass production this fall. These initiatives reflect the steady execution of our growth investments.

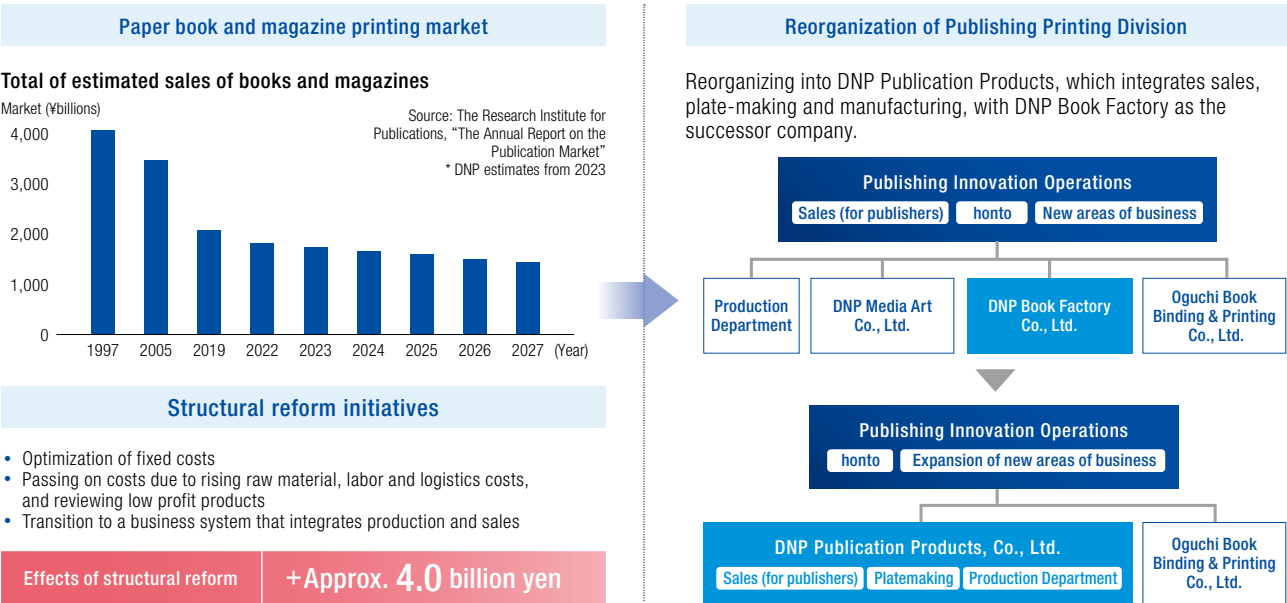
Figure 3 Investment in focus business areas, etc.



Regarding business structure reforms, in the publishing printing business, we have further rationalized production to respond to the shrinking paper media market caused by the spread of digital media and changes in consumer needs. In addition, we implemented structural and organizational reforms by integrating

the sales, plate-making and manufacturing functions of the publishing printing division, and established a new company, DNP Publication Products Co., Ltd., in April 2025. (See Figure 4.)

Figure 4 Structural reform initiatives for the publishing printing business

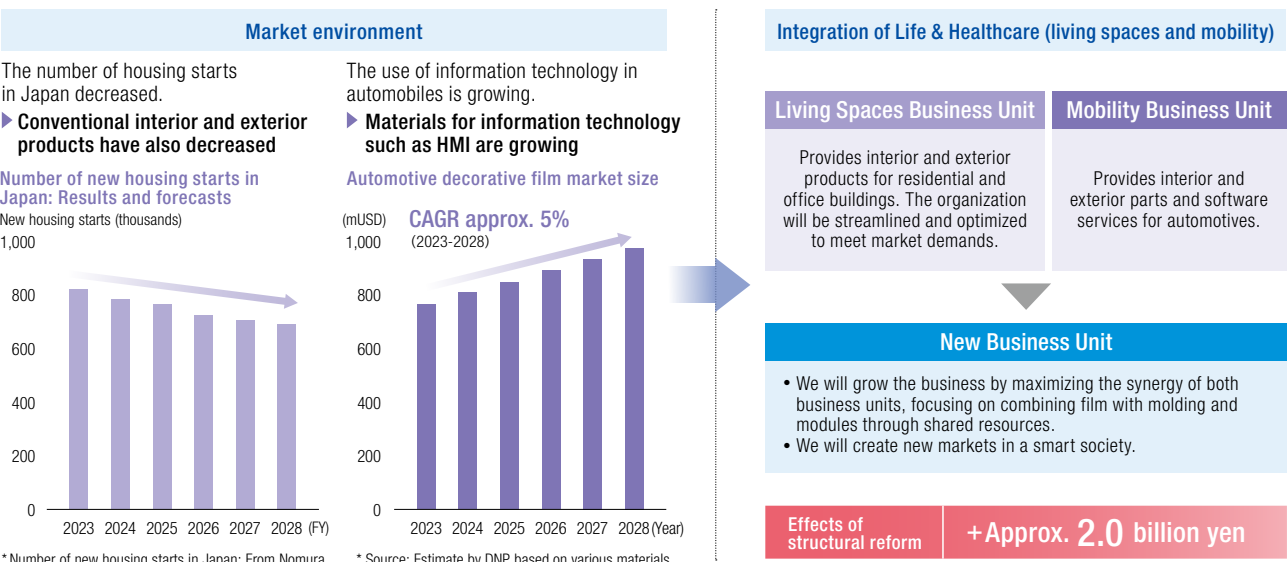


In addition, in the fall of fiscal 2025, we will integrate the living space and mobility businesses. While domestic housing starts are expected to decline, demand for information-related materials, such as HMIs\*, is projected to grow. By sharing resources between the two businesses and expanding

operations around the film with molding and modules axis to maximize synergies, we aim to contribute to creating a smart society that connects mobility and living spaces. (See Figure 5.)

\*HMI (Human-Machine Interface): Interfaces, displays and input devices that facilitate information exchange between the driver and the vehicle.

Figure 5 Integration of living spaces and mobility



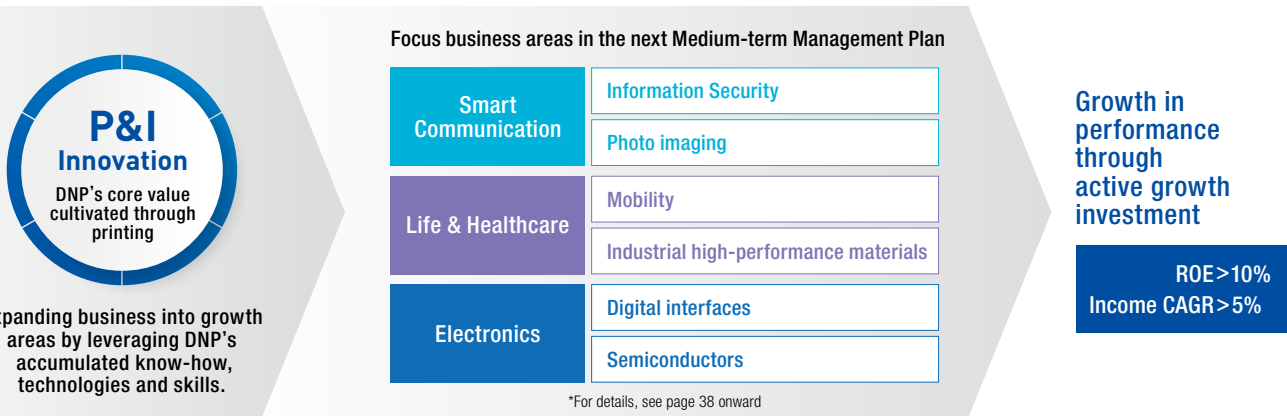
Basic concept of the next Medium-term Management Plan

DNP has expanded its business into growth areas by leveraging the company's strengths through P&I Innovations, which combines DNP's core values of Printing and Information.

For the next Medium-term Management Plan period (fiscal 2026–2028) and sustainable growth beyond, we will designate business domains created through P&I Innovations—characterized by high market share, strong

profitability and sustainable growth—as our focus business areas, and execute proactive growth investments. In addition, we will continue optimizing organizational frameworks in all businesses according to market trends and business scale, while pursuing further improvements in capital efficiency. (See Figure 6.)

Figure 6 Business policy for the next Medium-term Management Plan





# Financial Strategy



By steadily executing  
our cash allocation strategy,  
we aim to sustainably  
enhance corporate value.

Masafumi Kuroyanagi, Senior Managing Director

In February 2023, DNP established the DNP Group’s Basic Management Policy. Based on this policy, we have been working to ensure capital profitability that exceeds our cost of capital and to promote initiatives for the Group’s sustainable growth. To meet the expectations of various stakeholders, including shareholders and investors, we are committed to

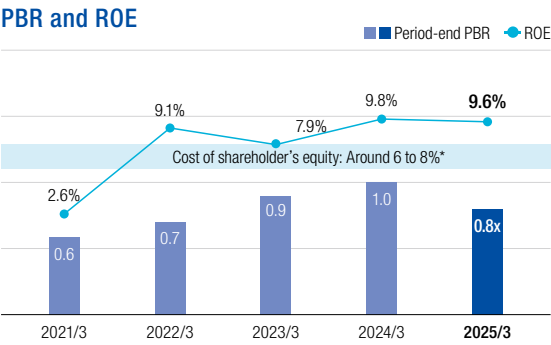
achieving a return on equity (ROE) of 10% and a price-to-book ratio (PBR) of more than 1.0X as early as possible through specific initiatives in our Medium-term Management Plan’s business strategy, financial strategy and non-financial strategy.

## Promoting management that is conscious of cost of capital and stock price

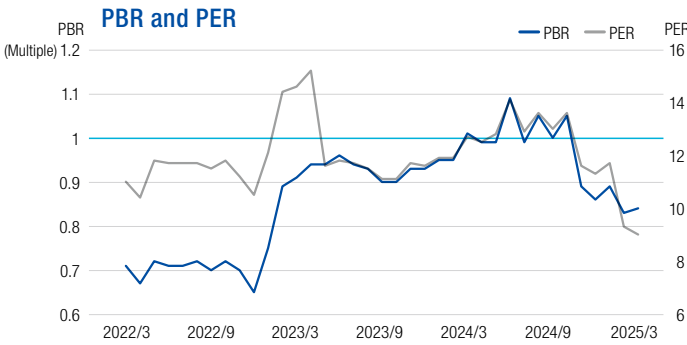
To achieve sustainable enhancement of corporate value, we promote management that is conscious of capital efficiency. Currently, the company’s cost of equity, calculated using the Capital Asset Pricing Model (CAPM), is approximately 6 to 7%. On the other hand, we recognize that market expectations are higher, at around 6–8%, and we believe that our return on equity (ROE), excluding the impact of extraordinary gains and losses, remains roughly at the level of our cost of equity. By

actively investing in businesses where we have strengths and which are expected to deliver both profitability and growth, and by optimizing business structures in line with market trends and business scale, we aim to maximize profits. At the same time, through proactive shareholder returns, including share buybacks, we strive to achieve the 10% ROE target outlined in our fundamental management policy as early as possible.

### Analysis of current conditions for enhancement of corporate value



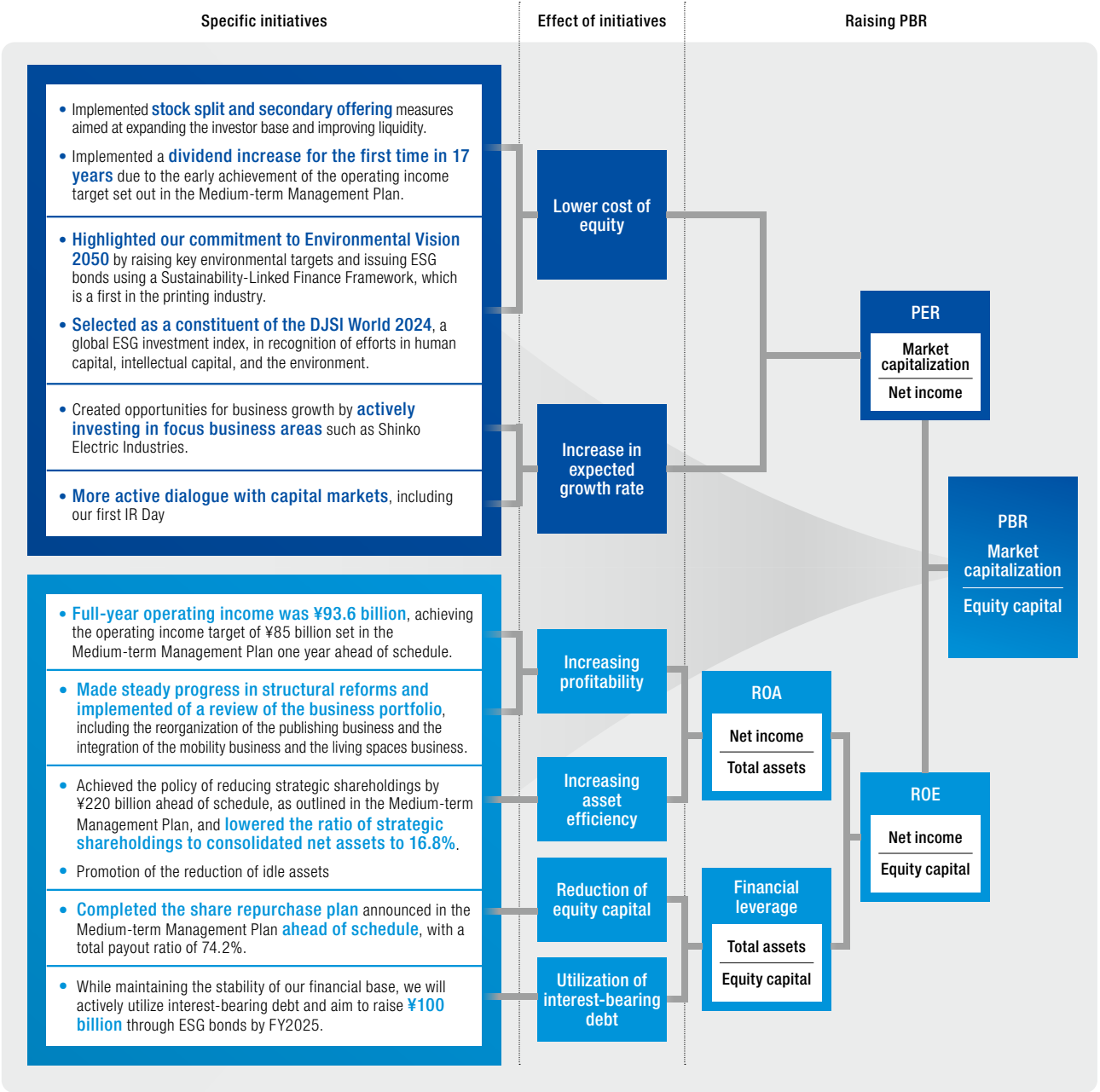
\* The cost of shareholder's equity calculated by DNP using CAPM is 6 to 7%, but we recognize that market expectations are higher than the CAPM-based level, at 6 to 8%.



Despite the sharp decline in the stock market in August 2024, our PBR remained above 1.0 until around November 2024, supported by solid performance from the steady execution of our Medium-term Management Plan and enhanced shareholder returns based on our cash allocation strategy. However, following the U.S. presidential election, concerns over a slowdown in the EV market and its potential impact on our battery pouch business led the stock price to decline. As of March 31, 2025, it stood at approximately 0.8, remaining at a low level. Although it has recovered somewhat as of August 2025, we recognize that the current stock price level is still not fully satisfactory to our shareholders and investors.

In fiscal 2024, the second year of the Medium-term Management Plan, we implemented a variety of initiatives under our financial strategy aimed at raising the PBR. These included enhancing asset efficiency, primarily through reducing strategic shareholdings; exploring the use of financial leverage through bond issuance, including sustainability-linked bonds (issuance planned for fiscal 2025); strengthening shareholder returns; and improving stock liquidity through measures such as a stock split and secondary offering. Going forward, we will continue to pursue initiatives under our financial strategy to enhance the PBR by raising the price-to-earnings ratio (PER) and ROE levels.

### Initiatives aimed at enhancement of corporate value: Raising PBR – Initiatives in the second year of the Medium-term Management Plan



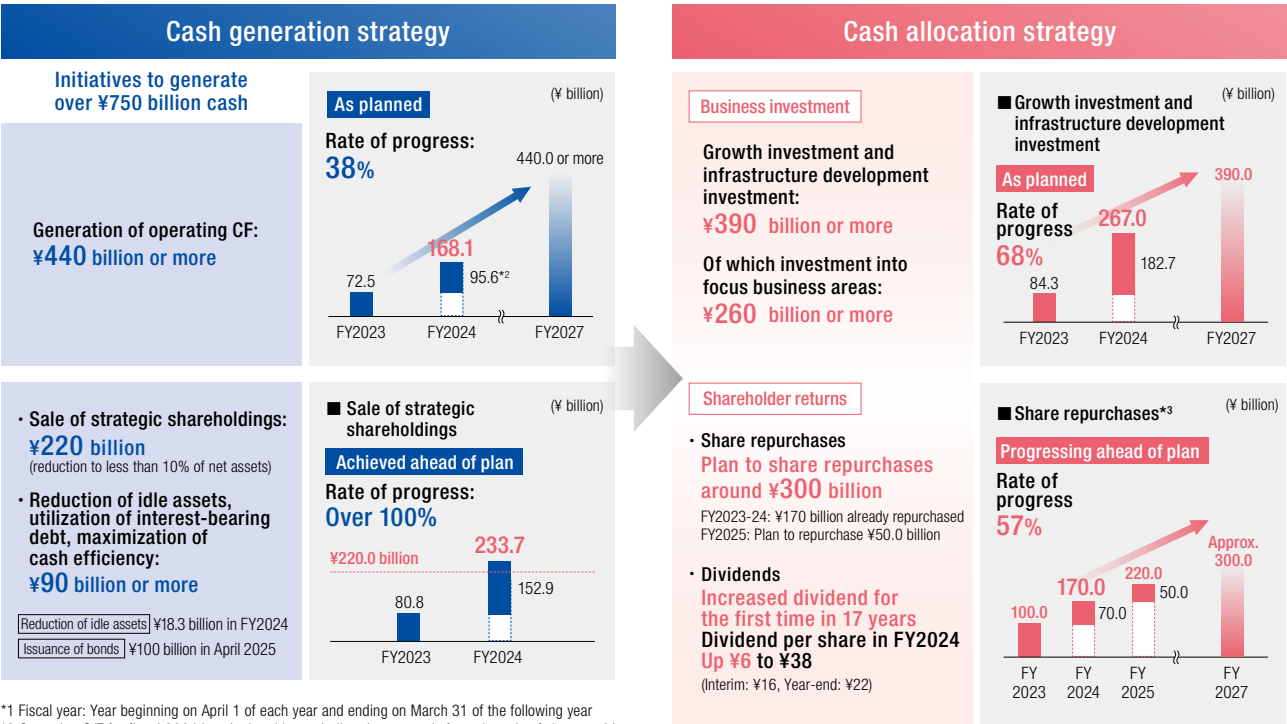
Financial Strategy

Progress with Medium-term Management Plan: Cash allocation strategy

The DNP Group has formulated a five-year cash allocation strategy for fiscal 2023–2027 aimed at achieving the company’s targeted revenue and capital structure. The following outlines how we plan to generate the cash that forms the foundation for corporate value creation, and how we intend to allocate that cash to drive sustainable, medium- to long-term corporate value enhancement.

Cash allocation strategy

Period: FY2023 to 2027\*1 – We will appropriately allocate the cash we have generated to further grow our business and provide returns to our shareholders.



\*1 Fiscal year: Year beginning on April 1 of each year and ending on March 31 of the following year  
\*2 Operating C/F for fiscal 2024 is calculated by excluding the proceeds from the sale of shares sold within retirement benefit trusts in fiscal 2024.

\*3 For fiscal 2023, the number of shares repurchased is based on the resolution of the Board of Directors on March 9, 2023. For fiscal 2024, the number of shares repurchased is based on the resolutions of the Board of Directors on March 8, 2024, and November 29, 2024. For fiscal 2025, the number of shares repurchased is based on the resolution of the Board of Directors on May 13, 2025.

From the perspective of cash generation, we set a target of 440.0 billion yen or more in operating cash flow as the source of funds for growth investments, focusing on our priority business areas. Against this target, progress over the first two years through fiscal 2024 stands at 38%, indicating that we are advancing roughly in line with the planned pace.

In addition, through discussions with numerous institutional investors, I have frequently received feedback regarding the low levels of profitability and ROE. To improve asset efficiency, we set a concrete target of reducing strategic shareholdings by 220 billion yen and established a further goal of lowering their ratio to consolidated net assets to below 10%. While the increase in market value since the initial planning stage has played a role, we generated cash through the active reduction of strategic shareholdings, enabling us to achieve the numerical target of 220 billion yen three years ahead of schedule. At the same time, the ratio of strategic shareholdings to consolidated net assets was significantly reduced from 27.7% at the end of fiscal 2023 to

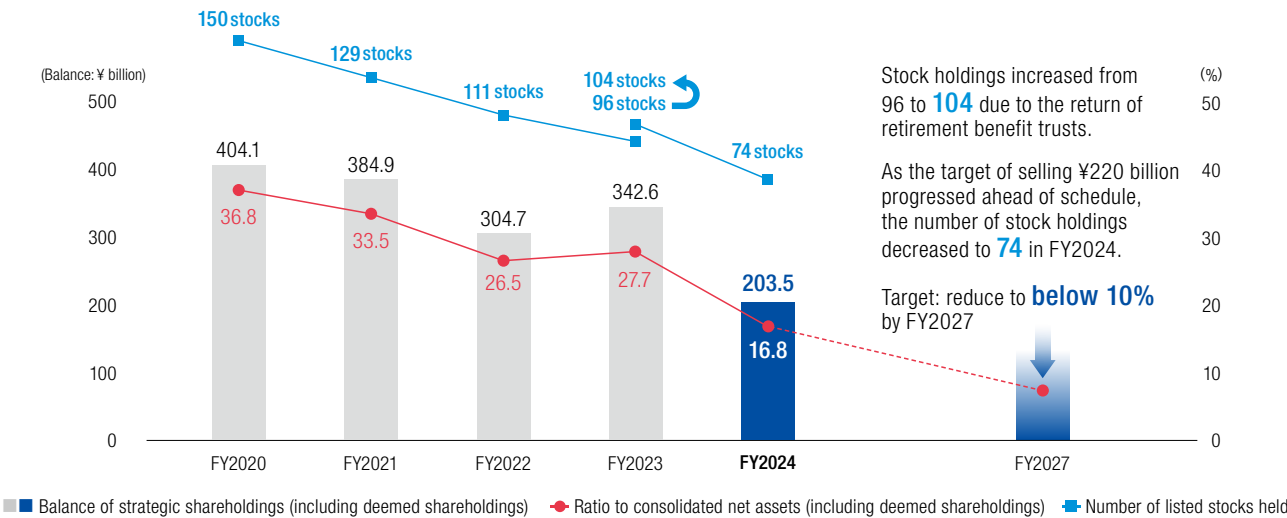
16.8%, a decrease of 10.9 percentage points. In April 2025, we announced the sale of one listed security and recorded 34.5 billion yen in gains on the sale of investment securities (extraordinary income), while already proceeding with the sale of multiple other securities. These initiatives are progressing smoothly toward achieving the target of reducing strategic shareholdings to below 10% of consolidated net assets by fiscal 2027.

Other initiatives to generate cash include reducing idle assets and utilizing interest-bearing debt up to 90 billion yen. We have long redirected cash generated from the sale of idle assets that do not contribute to growth toward growth investments and other purposes. Going forward, as business structure reforms progress, we expect this trend to accelerate through business divestitures and asset streamlining. Regarding the use of interest-bearing debt, while maintaining a stable financial foundation, we will secure diverse funding sources and actively employ leverage to reduce our cost of capital.

Status of strategic shareholding reduction

Ratio of strategic shareholdings to consolidated net assets in FY2024: 16.8%						
		FY2020	FY2021	FY2022	FY2023	FY2024
Number of stocks	Listed	150	129	111	96	74
	Unlisted	113	111	112	111	115
	Deemed shareholdings	6	6	6	6	0
	Total	269	246	229	213	189
Balance (¥ millions)	Listed	351,850	335,987	255,734	276,403	197,553
	Unlisted	5,127	5,455	6,267	5,676	6,000
	Deemed shareholdings	47,174	43,548	42,780	60,548	0
	Total	404,151	384,990	304,781	342,627	203,553
Consolidated net assets (¥ millions)		1,098,613	1,148,413	1,148,245	1,236,687	1,208,778
Ratio of strategic shareholdings to consolidated net assets		36.8%	33.5%	26.5%	27.7%	16.8%

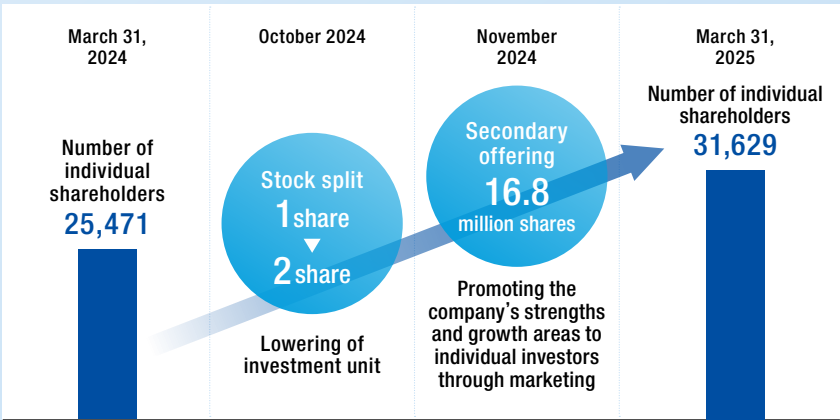
\* For deemed holdings, the figures aggregate the stocks disclosed in the securities reports. In fiscal 2024, the retirement benefit trust was liquidated and returned to the company.



■ Balance of strategic shareholdings (including deemed shareholdings) ● Ratio to consolidated net assets (including deemed shareholdings) ◆ Number of listed stocks held

Initiatives to improve share liquidity

While reducing strategic shareholdings, we conducted discussions on an optimal shareholder composition and recognized the challenge of having relatively few individual shareholders from the perspective of capital cost. By lowering the investment unit through a stock split and carrying out marketing activities associated with a secondary offering, we successfully increased both the number and proportion of individual shareholders.





Financial Strategy

The total cash generated, exceeding 750 billion yen, will be appropriately allocated toward further business growth and shareholder returns to enhance corporate value over the medium to long term. From the perspective of business growth, we plan to invest at least 390.0 billion yen in growth and infrastructure development investments, of which over 260.0 billion yen—roughly two-thirds—will be concentrated in our focus business areas. In parallel with ongoing business structure reforms, we will replace existing assets with more profitable ones, aiming to transform the company into a highly profitable organization. [▶ P28](#)

We also aim to provide shareholder returns from a medium- to long-term management perspective, balancing a stable financial foundation with investment in growth businesses. In fiscal 2024, operating income reached 93.6 billion yen, exceeding the Medium-term Management Plan’s final-year target of 85.0 billion yen one year ahead of schedule. In light of this performance, we implemented a dividend increase for the first time in 17 years. A further

dividend increase is planned for fiscal 2025, marking two consecutive years of growth. Going forward, we remain committed to achieving sustainable profit growth while continuously exploring opportunities to enhance dividends and improvements in dividend levels.

In addition, we will continue to conduct share repurchases flexibly and proactively in adapting to changes in the business environment. As part of efforts to improve capital efficiency and return value to shareholders, we completed approximately 170 billion yen in share repurchases over fiscal 2023–2024, and an additional 50 billion yen in share repurchases has been announced for fiscal 2025. This brings the total planned repurchases for the three-year period from fiscal 2023 to 2025 to 220 billion yen, advancing the original five-year plan ahead of schedule toward a total of approximately 300 billion yen in share repurchases.

We will continue to steadily implement our cash allocation strategy to achieve the revenue and capital structure targeted by the DNP Group.

Toward the final year of the Medium-term Management Plan

Fiscal 2025, the final year of the Medium-term Management Plan, will be a pivotal year in which the plan’s effectiveness will be fully tested. By achieving the targeted operating income and ROE, we aim to demonstrate meaningful progress toward realizing the revenue and capital structure envisioned for the DNP Group.

Over the two years through fiscal 2024, our steady efforts to enhance corporate value—focused on business strategy, financial strategy and non-financial strategy—have proven successful, enabling us to achieve the final-year targets of the Medium-term Management Plan ahead of schedule. Regarding financial strategy, while our initiatives to improve capital efficiency and enhance share liquidity have been well received, we have also received candid feedback from investors regarding dividend levels and the pace of equity reduction. Going forward, we will continue to steadily grow profits, pursue ongoing dividend increases, improvements in dividend levels and maintain disciplined control over equity.

As we entered fiscal 2025, these initiatives have continued to make steady progress. In addition to ongoing efforts such as share repurchases, two consecutive years of dividend increases, and further reduction of strategic

shareholdings, we issued corporate bonds in April 2025 for the first time in five years. Despite a challenging bond issuance environment marked by heightened market volatility, our careful dialogue with investors and recognition of the company’s creditworthiness enabled us to successfully raise a total of 100 billion yen. Of this, 60 billion yen was issued as sustainability-linked bonds under the Sustainability-Linked Finance Framework—an industry first for the printing sector—established in October 2024. Going forward, we will continue to expand investor relations activities both domestically and internationally and strive to further promote constructive dialogue with investors.

Fiscal 2025, the final year of the Medium-term Management Plan, is marked by our continued company-wide efforts to achieve the operating income target of 94.0 billion yen, exceeding the previous year’s results. In addition to steadily implementing initiatives to improve the PBR, we aim to engage stakeholders through ongoing dialogue so they can witness the company’s transformation firsthand, while continuing to build a company that delivers sustainable corporate value.

Shareholder returns

Basic policy on profit distribution

Our fundamental approach is to deliver returns in a stable and consistent manner, balancing investments in growth businesses with shareholder returns while maintaining a solid financial foundation.

Achieved the final-year operating income target set in the Medium-term Management Plan one year ahead of schedule

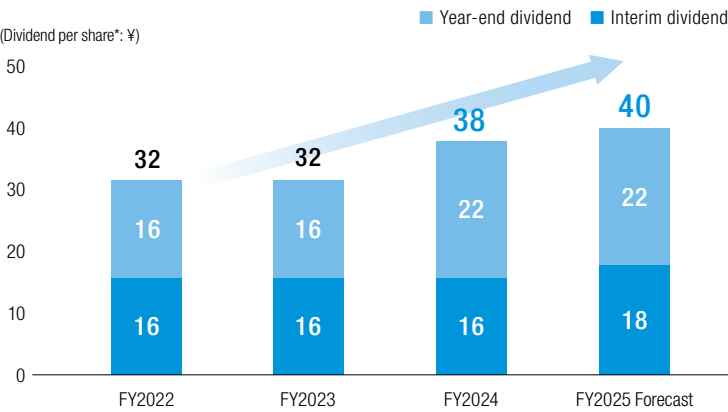
Controlling equity to achieve a 10% ROE

Dividends

Increased the year-end dividend in FY2024 for the first time in 17 years

Planning a dividend increase for the second consecutive year in FY2025

\* DNP conducted a 2-for-1 stock split of common stock, effective October 1, 2024. Dividend per share is calculated based on the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2023.

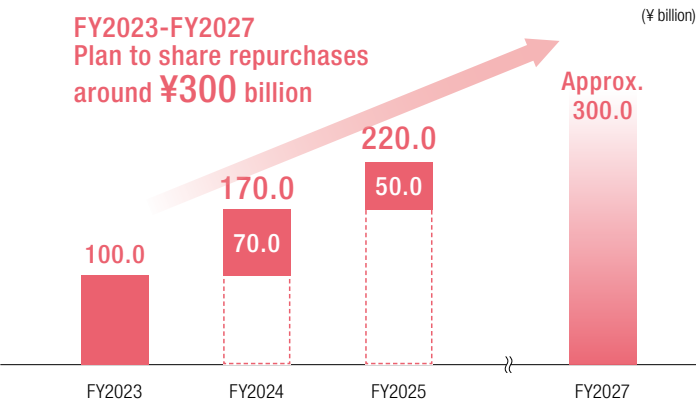


Share repurchases

Planned total repurchases of 220.0 billion yen by FY2025

Progressing ahead of the original schedule

\* For fiscal 2023, the number of shares repurchased is based on the resolution of the Board of Directors on March 9, 2023. For fiscal 2024, the number of shares repurchased is based on the resolutions of the Board of Directors on March 8, 2024, and November 29, 2024. For fiscal 2025, the number of shares repurchased is based on the resolution of the Board of Directors on May 13, 2025.















Going forward, we are dedicated to achieving consistent profit growth and continuously exploring ways to increase our dividends and improve dividend levels.





# 4 Value Creation | Steadily growing highly profitable and high-growth businesses

## Focusing on business areas with high market share, strong profitability and sustainable growth

In addition to our proprietary technologies, know-how and skills, DNP leverages its unique partnerships to focus on business areas characterized by high market share, strong profitability and sustainable growth. These areas are designated as focus business areas in the next Medium-term Management Plan (FY2026–2028). By making proactive growth investments in these focus business areas, we aim to build a resilient business portfolio and drive long-term performance expansion and sustainable growth.

### Focus business areas in the next Medium-term Management Plan

	Business area	Profitability		Growth potential	Market share		P&I Innovations	
		FY2024 sales	ROE	Market environment (CAGR 2024-2029)	Main products	P&I cultivated through printing – Proprietary technologies, know-how and skills –	TAIWA and cooperation – Partners that accelerate business –	New value like never before
Smart Communication	Information Security 	177 billion yen	10% or more	Approx. 7% Information security market	Smart cards No.1 domestic share 	<ul style="list-style-type: none"> <li>Information processing technologies (information security / image processing and recognition)</li> <li>Microfabrication technologies (precision engraving / hologram / photolithography)</li> <li>Post-processing technologies (plastic forming / laminating technologies)</li> </ul>	<ul style="list-style-type: none"> <li>Global rollout of technological strengths               <ul style="list-style-type: none"> <li>Acquired Rubicon SEZC as a consolidated subsidiary (2025)</li> <li>Entered overseas government ID authentication service business</li> <li>Capital and business alliance with MKSmart (2014)</li> <li>Vietnam's largest smart card manufacturer, strengthening competitiveness in the Southeast Asian market</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Expansion of authentication and IC card business into high-growth regions such as Africa, Asia and South America</li> <li>Provision of a digital key platform that uses cryptographic key technology to lock and unlock cars, homes and other devices with their smartphones</li> </ul>
	Photo imaging 	74 billion yen		Approx. 7% Photo related market	Dye-sublimation thermal transfer media for photo prints No.1 global share 	<ul style="list-style-type: none"> <li>Information processing technologies (information security / media conversion / image processing and recognition)</li> <li>Precision coating technology (coating)</li> <li>Post-processing technologies (laminating technologies / transfer processing)</li> <li>Project planning and design (photo service, photo cabinet)</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening sales, planning and development systems in the global market               <ul style="list-style-type: none"> <li>Acquired photo business from the Konica Minolta Group (2006)</li> <li>Acquired digital photo printer business from Sony (2011)</li> <li>Acquired all shares of Colorvision International (U.S.) and Sharingbox (Belgium) (2020)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Operation of over 300,000 printers in more than 100 countries, providing approximately 5 billion photo prints annually</li> <li>A wide range of photo services and solutions such as theme park photography, fan photos, events and ID photos</li> </ul>
Life & Healthcare	Mobility 	71 billion yen		Approx. 13% High-end HMI market	Decorative films, molded parts 	<ul style="list-style-type: none"> <li>Optical design technology</li> <li>Precision coating technologies (coating / EB and UV curing / printing)</li> <li>Post-processing technology (laminating technologies / transfer processing)</li> <li>Project planning and design (decoration and aesthetic design)</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening development and manufacturing capabilities for mobility molded parts               <ul style="list-style-type: none"> <li>Acquired Tamura Plastic MFG as a consolidated subsidiary (2015)</li> <li>Development and manufacturing of mobility molded parts using decorative films</li> <li>Acquired HIKARI METAL INDUSTRY as a consolidated subsidiary (2025)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Development of eco-friendly mobility molded parts and exterior films as alternatives to painting</li> <li>Development of light-transmitting film compatible with in-vehicle Human-Machine Interface (HMI) applications</li> </ul>
	Industrial high-performance materials 	60 billion yen		Approx. 15% EV market	Battery pouches for lithium-ion batteries No.1 global share 	<ul style="list-style-type: none"> <li>Precision coating technology (coating)</li> <li>Post-processing technology (laminating technologies)</li> <li>Materials development technology</li> <li>Assessment and analysis</li> </ul>	<ul style="list-style-type: none"> <li>Expanding the battery pouch product range               <ul style="list-style-type: none"> <li>Acquired Resonac Package as a consolidated subsidiary (2025)</li> <li>Combined, the two companies hold over 800 patents</li> <li>Expanding product applications to automotive, IT and energy storage system (ESS) use</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Provision of battery pouch exterior materials with strong technologies and patents across automotive, IT and ESS applications</li> <li>Development of exterior materials compatible with next-generation batteries, including all-solid-state batteries</li> </ul>
Electronics	Digital interfaces 	182 billion yen		Approx. 5% Digital interface market	Optical films for displays No.1 global share* Metal masks for OLED display manufacturing No.1 global share 	<ul style="list-style-type: none"> <li>Optical films               <ul style="list-style-type: none"> <li>Optical design technology</li> <li>Materials development technology</li> <li>Precision coating technology (coating)</li> </ul> </li> <li>Metal masks               <ul style="list-style-type: none"> <li>Microfabrication technology (photolithography / etching processing)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Expansion of in-house production lines               <ul style="list-style-type: none"> <li>Mihara Plant (Hiroshima): Introduced coating equipment capable of producing optical films up to 2,500 mm in width</li> <li>Kurosaki Plant (Fukuoka): Operational production line for metal masks used in OLED displays, compatible with 8th-generation (G8) sizes</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Development of optical films with diverse functions tailored to device needs (anti-reflection and anti-glare)</li> <li>Development of products anticipating the growing demand for OLED displays in various smart devices</li> </ul>
	Semiconductors 	66 billion yen		Approx. 8% Semiconductor market	Photomasks for semiconductor production Top-level market share in the photomask merchant market 	<ul style="list-style-type: none"> <li>Optical design technology</li> <li>Microfabrication technologies (clean converting / patterning / photolithography)</li> <li>Precision coating technology (coating)</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration with partners for commercialization in cutting-edge fields               <ul style="list-style-type: none"> <li>Partnerships with semiconductor manufacturers, equipment manufacturers, material manufacturers, research institutions, etc., including KIOXIA, Canon, imec, Rapidus, PDMC/X and STMicroelectronics</li> <li>Invested in special purpose company for the purpose of acquiring shares of Shinko Electric Industries (2025), strengthening collaboration in semiconductor post processing</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Advanced semiconductor manufacturing technologies, including nanoimprint and extreme ultraviolet (EUV)</li> <li>Development of glass core substrates with TGV (Through-Glass Via) for next-generation semiconductor packages</li> </ul>

 A society where people can live safe, secure, healthy and well-being lives 
  A society where people can communicate comfortably 
  A society where people mutually respect each other 
  A society that realizes a balance between economic growth and the global environment

\* In the case of anti-reflection film and anti-glare film used on the surface of displays



# Information Security

Top market share in  
Japan for smart cards

Smart Communication

## Business overview & DNP's strengths

Transformation toward a smart society—where people and things are connected across both cyber and physical spaces—is accelerating. DNP anticipates these trends, aiming to create a society where everyone can live more comfortably, safely and securely, often without even being consciously aware of the technology around them. Our strengths include a long-standing track record of rigorously managing vast amounts of sensitive information such as personal data, the technical expertise and operational capabilities as Japan's leading smart card vendor, and businesses that combine manufacturing with information services. These capabilities are the driving force that continues to earn the trust of our customers. Leveraging know-how cultivated in Japan, we are expanding globally, with a particular focus on emerging markets where economic growth is expected due to population increases and other factors.

## Main products and services

### Smart cards and digital keys

In 1983, DNP developed rewritable smart cards and has since become the leading smart card vendor in Japan. Building on cryptographic key technologies, we also provide a digital key platform that enables locking and unlocking of cars, homes, lockers and other devices via smartphones. For automotive applications, our solutions comply with the standard specifications established by the Car Connectivity Consortium (CCC).



### BPO (Business Process Outsourcing)

Under a robust security environment, DNP offers BPO services that comprehensively support the business processes of companies, local governments and other organizations. We optimize clients' overall business operations while combining a diverse range of services to develop and deliver high-value, one-stop solutions.

### AI review and AI-Ready Data

DNP is developing a variety of AI-driven businesses. We offer AI review services that automate and streamline proofreading and compliance checks for corporate promotional materials, packaging, service terms and other documents. In addition, we are focusing on the AI-Ready Data service, which transforms unstructured corporate data into formats that generative AI can easily understand and utilize.

### Factory security and 3D secure

Leveraging the security expertise cultivated at our smart card factories and other sites, DNP provides factory security solutions to address the rapid rise in cyber threats. In preparation for its mandatory adoption in March 2025 in Japan, we have developed and are currently providing a 3D Secure authentication service for online credit card payments.



## DNP's strengths

### Proprietary ICT and security technology

DNP applies its proprietary technologies—developed through smart card OS and application development, as well as manufacturing process design—alongside approximately 1,800 ICT professionals to areas such as security software development, cryptographic key management, and the development of various products and manufacturing technologies. These capabilities are also highly regarded on the international stage.

Authentication and ID management	Cybersecurity
Monitoring and management	Cryptographic key management
IoT and devices	Security consulting and education

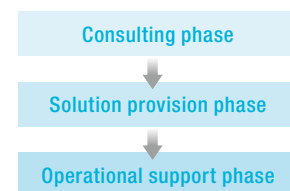
### Robust security framework

At DNP's manufacturing and development sites, we combine physical measures—such as surveillance cameras and access restrictions—with comprehensive cybersecurity measures, employee training and operational protocols to establish a highly advanced and robust security framework. This approach has earned top-tier ratings for business continuity and risk management.



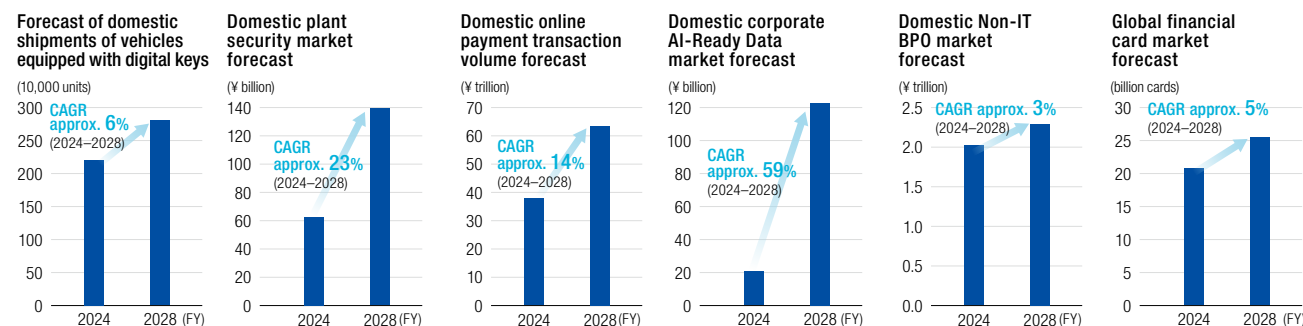
### One-stop service

DNP serves a wide range of industries, including finance and securities, public services and social infrastructure, as well as various manufacturers, distributors and retailers. We provide a comprehensive suite of functions, from consulting to the design, development and operation of solutions, delivered through a one-stop service model.



## Market environment

The information security market is expected to grow steadily, driven by ongoing digital transformation (DX), the rise of online payments, and businesses' increasing need to address challenges such as cyberattacks and labor shortages.



Market forecasts are calculated based on DNP's own estimates added to the references.  
\* References: Statistics Bureau, Ministry of Internal Affairs and Communications; Ministry of Economy, Trade and Industry, etc.

## Growth strategy

- Provide high-value services to the market by effectively combining products and services.
- Increase market share by leveraging the strengths of DNP's Information Security business and fostering collaborative relationships with partner companies.
- Accelerate investment in promising markets, including emerging countries where economic growth is expected due to factors such as population increases.

## Acquisition of Rubicon SEZC, a provider of government ID authentication services

—Strengthening initiatives in high-growth markets across Africa, Asia and South America—

In July 2025, DNP acquired a 75% stake in Rubicon SEZC, a company that provides government ID authentication services that register and authenticate individuals' personal information, primarily in Africa, and brought it into the DNP Group. By combining DNP's strengths in authentication and security technologies—including the manufacture and issuance of various smart cards, card printers, anti-counterfeiting holograms and biometric devices and software—with Rubicon's Laxton-branded ID authentication business that leverages biometric information, we aim to maximize synergies.

DNP has previously expanded its information security-related businesses globally, including its investment in MKSmart, one of Vietnam's largest card manufacturers (2014), and the

establishment of a joint venture, PT. Wahyu DNP Bureau, with Wahyu Kartumasindo International, one of Indonesia's leading IC and cash card manufacturers (2016). Rubicon provides end-to-end services—from consulting and biometric data enrollment to the development and maintenance of authentication devices and software—and has been implemented in more than 50 countries and regions worldwide. By joining the DNP Group, Rubicon will help deliver authentication and security services to governments in Africa, Asia and South America, with a target of achieving cumulative sales of ¥140 billion in overseas government ID authentication services by fiscal year 2030. The DNP Group will continue contributing to a safe and secure smart society on an increasingly global scale.

### Forecast of government biometric authentication market (global)



Signing of the contract with Rubicon SEZC in Amsterdam, the Netherlands in June 2025. Yoshiaki Numano, Senior Corporate Officer of DNP (left) and Lyle Laxton, CEO of Rubicon SEZC (right).

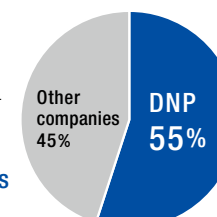
## Performance trends and future outlook

### Business expansion leveraging No. 1 market share

Number of dual interface cards manufactured in Japan

We have the leading share of smart cards in Japan

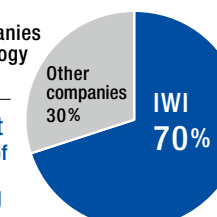
Excerpt from Fuji Chimera Research Institute, Digital ID/Authentication Solutions Business Market Research Handbook 2024 FY2023 results, volume basis



Number of major credit card companies using the technology (surveyed by IWI)

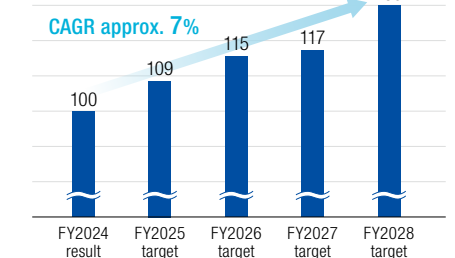
FEP\* Intelligent Wave (IWI, part of the DNP Group) has the leading share in Japan

\* Abbreviation of Front End Processor, a system that connects to card companies and various payment networks, and authenticates card usage during card payments. FY2023 results



### Planning sales growth at an approximate CAGR of 7%

Information Security business sales plan  
\* Comparison indexed to FY2024 as 100



# Photo Imaging

Smart Communication

Global top share in dye-sublimation  
thermal transfer media for photo prints

## Business overview & DNP's strengths

Applying our precision coating and printing technologies, DNP developed dye-sublimation thermal transfer media in 1985. Today, we continue to supply these products globally for photo printing, maintaining a leading market share worldwide. DNP constantly anticipates changes in how people enjoy photography, developing diverse businesses that enhance not only the value of printed products but also the experiential value for users. Through our manufacturing and sales sites in Japan, North America, Europe and Asia, we oversee a wide range of activities from planning to providing various products and services. These include services that allow photos to be taken and printed at tourist sites and events, as well as high-security network services for applying for and issuing ID cards—continuing to bring smiles and reassurance to people.

## Main products and services

### Dye-sublimation thermal transfer products

DNP offers a wide range of photo printers and media under the DNP brand. Approximately 5 billion photo prints are produced annually, and over 300,000 printers are in operation across more than 100 countries worldwide.



Dye-sublimation digital photo printer

### Photo services and solutions

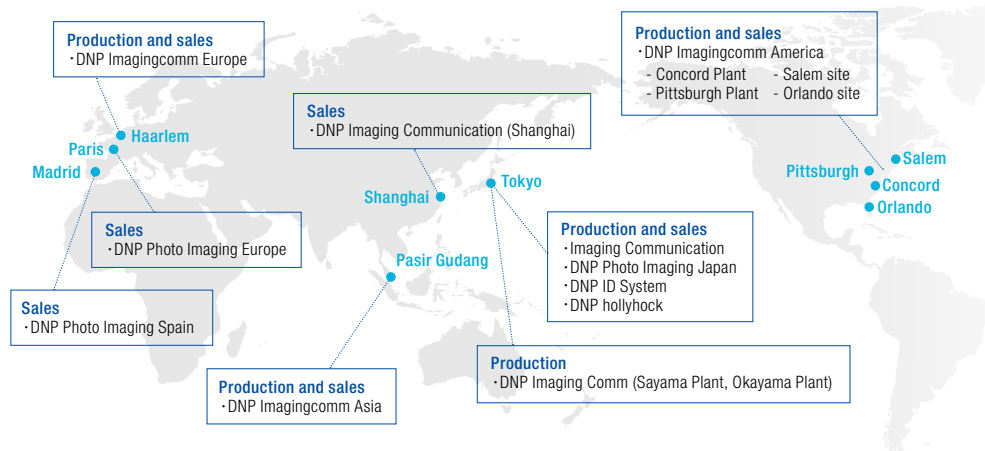
Through "Ki-Re-i," one of Japan's leading ID photo booth, DNP provides services such as facial data collection via networks and profile photo creation. We also offer a wide range of photo services at theme parks, event venues and other locations, including sharingbox, Colorvision and Innovative Foto.



## DNP's strengths

### Global sites and supply chain

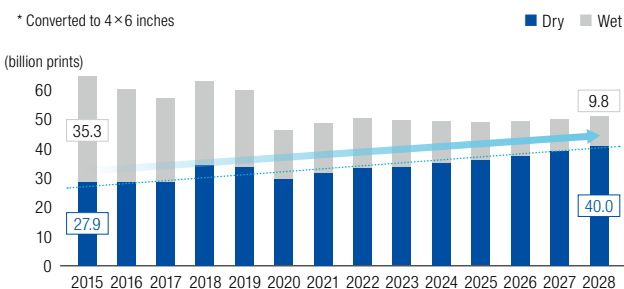
DNP launched its photo business in the United States in 2004 and has since expanded its global sales, product development, manufacturing and distribution networks through proactive M&A and other initiatives. Leveraging the development of locally tailored value and strategically located production, we continue to strengthen our business presence worldwide, including in emerging markets.



## Market environment

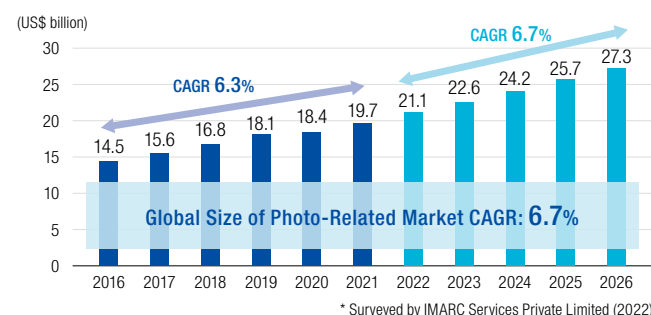
### Number of photo prints worldwide

While the overall photo print market, including silver halide prints, is shrinking, dry processes such as dye-sublimation and inkjet are experiencing growth. DNP's dye-sublimation products, which hold the leading global market share, offer advantages in small-batch and on-demand printing.



### Global photo-related market trends

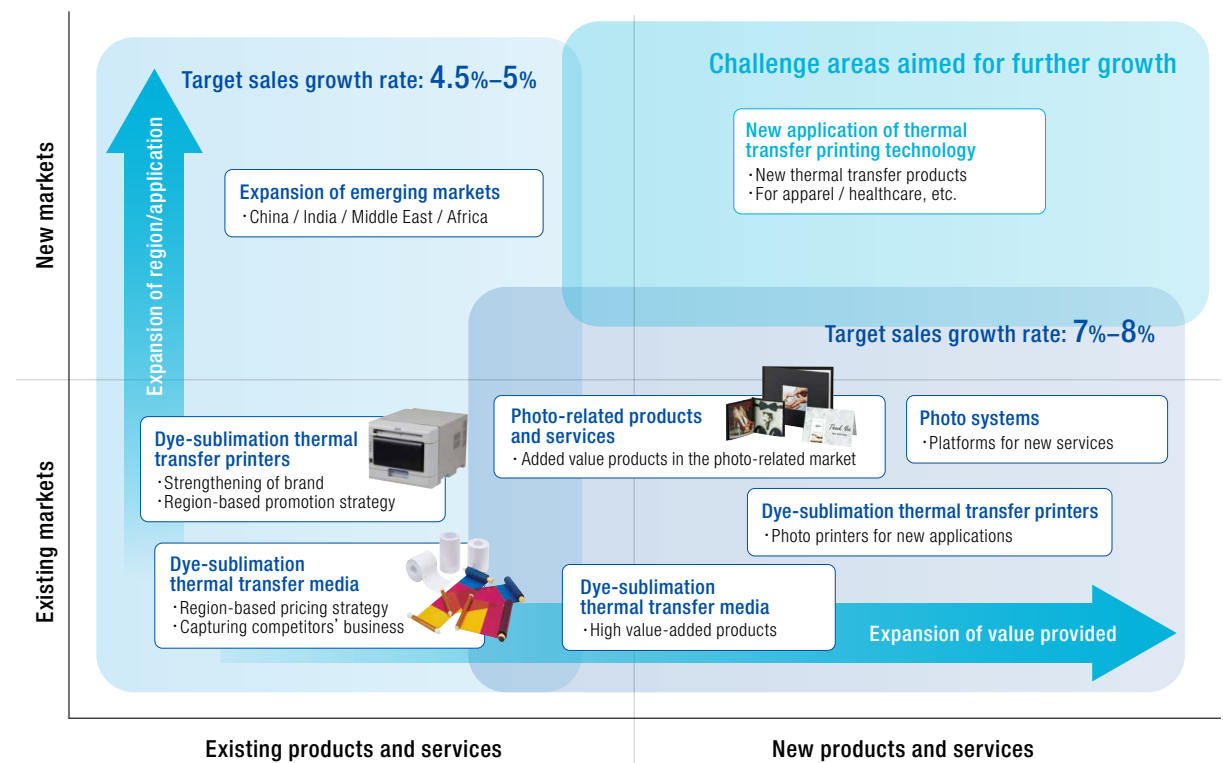
The proliferation of smartphones has led to a global increase in the number of photos taken, fueling continued growth in the photo-related market. Demand is also expanding for products that enable people worldwide to preserve and enjoy special moments and memories in photo books, calendars and other items.



## Growth strategy

- In the global market, DNP will pursue both the expansion of regions and applications, focusing on emerging countries such as China and India, and the expansion of value provided, including in photo-related markets and new services.
- Expand businesses that enhance user experience and convenience, such as services leveraging popular characters or artists and services utilizing high-security networks.
- Pursue further growth by exploring applications of thermal transfer technologies.

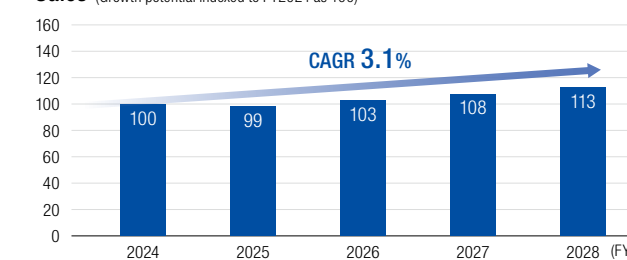
“Bring smiles & peace of mind across the world by realizing various ideas.”



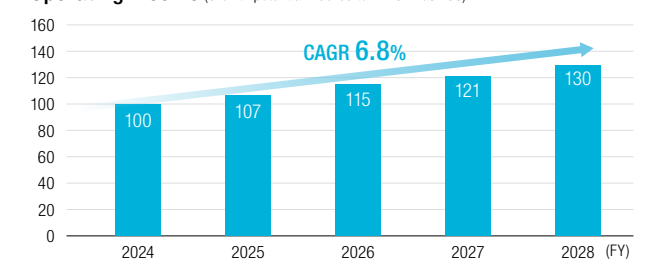
## Performance trends and future outlook

DNP continues to achieve sustained growth in sales and profit by leveraging its global No. 1 share in dye-sublimation thermal transfer media. Amid concerns over volatility in the U.S. market, we are executing strategies focused on areas that the DNP Group can control. Through fiscal 2028, we plan for annual revenue growth of approximately 3.1% and operating income growth of around 6.8%.

### Sales (Growth potential indexed to FY2024 as 100)



### Operating income (Growth potential indexed to FY2024 as 100)



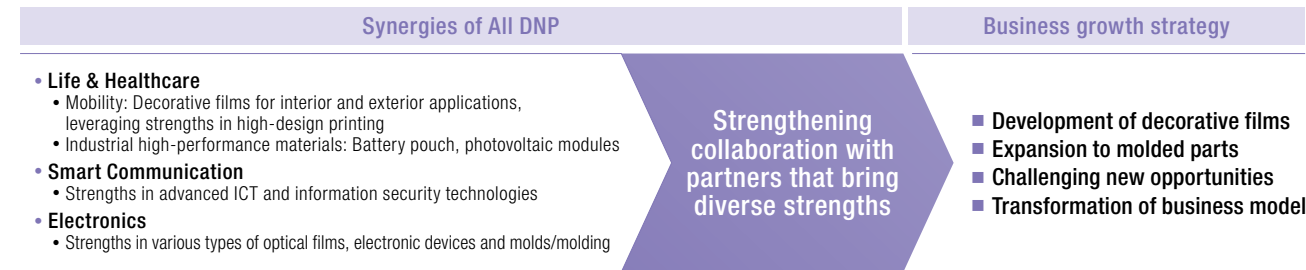


# Mobility

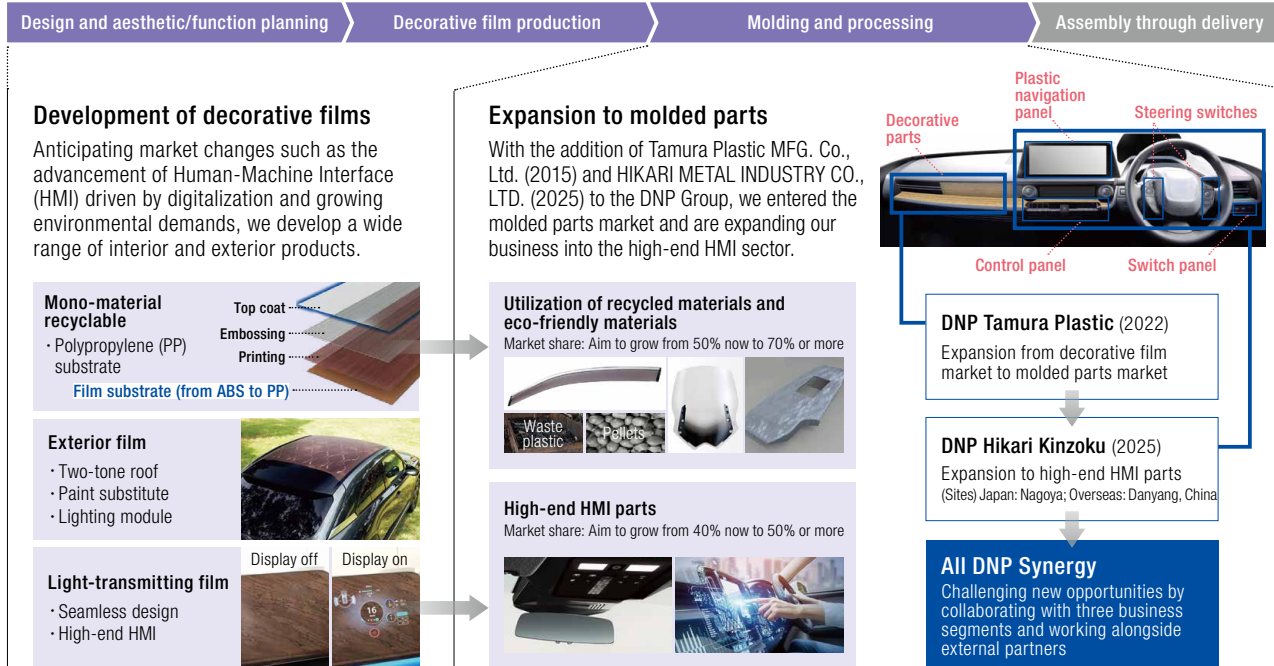
Life &amp; Healthcare

## Business overview & DNP's strengths

DNP leverages its decorative materials for mobility interiors and exteriors, as well as battery pouches for lithium-ion batteries, as foundations for developing and providing a broad range of products and services that support extended driving range for electric vehicles (EVs), self-driving and comfortable mobility environments. Anticipating market changes, we capitalize on our proprietary material processing technologies, including converting technology, while actively expanding our business through M&A and strategic partnerships with companies that bring diverse strengths. As part of our growth strategy, we focus on the development of decorative films, expansion to molded parts, challenging new opportunities and the transformation of our business model, harnessing the synergies of All DNP to create and deliver new value.

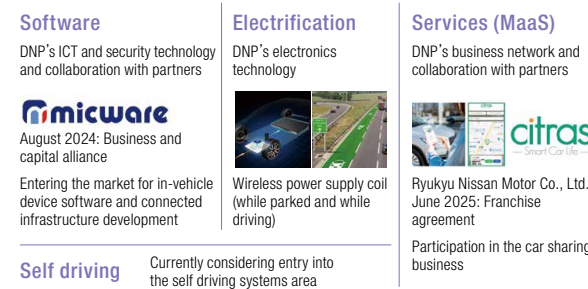


## Main manufacturing processes for decorative films: DNP's scope



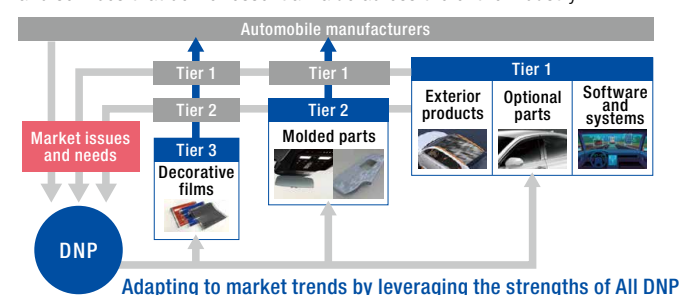
## Challenging new opportunities

We actively enter fields with high growth potential and profitability, including software and information services, electrification and self-driving.



## Transformation of business model

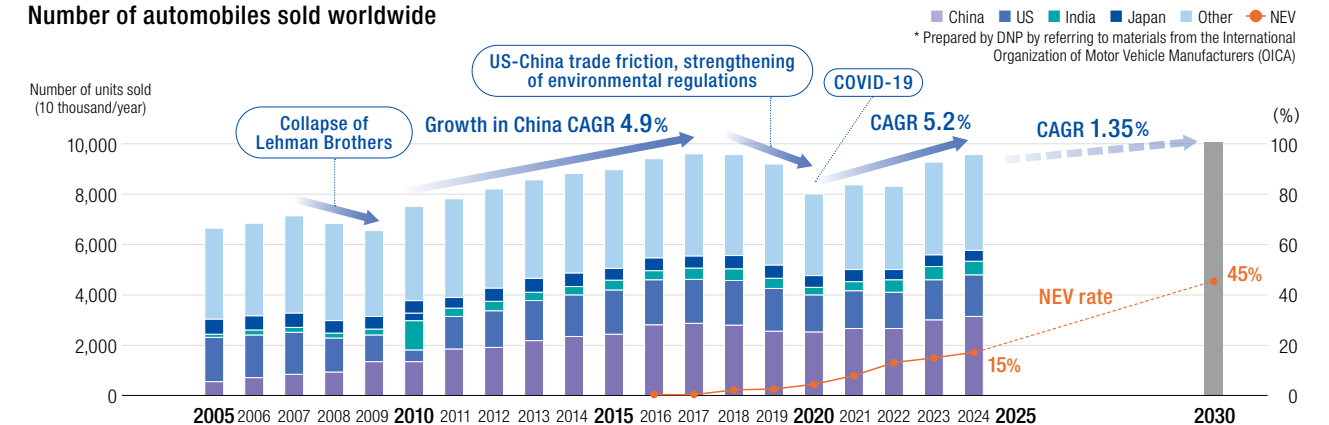
By broadly identifying and analyzing challenges and needs, primarily in the automotive market, we strive to ensure that DNP secures the optimal position for each product and service. We also develop and provide products and services that deliver essential value across the entire industry.



## Market environment

Leveraging the momentum of the automotive market, often described as experiencing a "once-in-a-century transformation," we aim to further refine DNP's unique strengths and deepen collaboration with partners to create new value.

## Number of automobiles sold worldwide

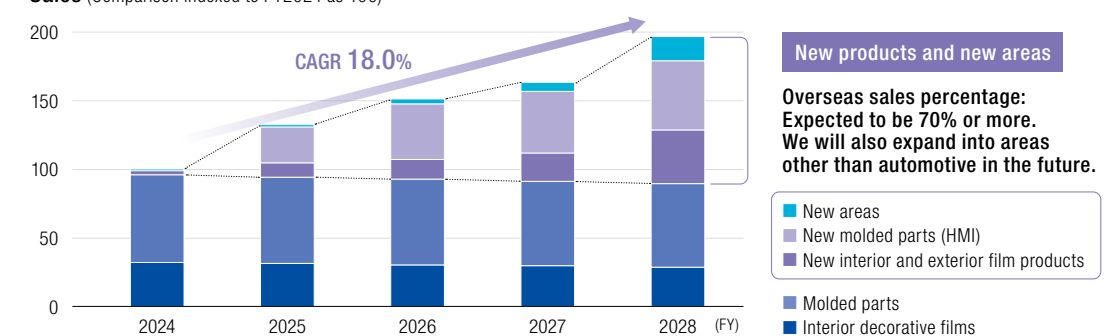


## Performance trends and future outlook

- Leveraging the strengths of All DNP and deepening collaboration with partners that bring diverse capabilities, we advance our business growth strategies: development of decorative films, expansion to molded parts, challenging new opportunities and transformation of business model.
- By quickly identifying and analyzing global market trends and consumer needs, we develop and deliver new value from the optimal position for each product and service.
- We accelerate business growth through increased market share and expanded applications for existing products, as well as entry into new areas.
- We strengthen and expand our business foundation through proactive capital investment, M&A and transformation of business models.

## Aiming to achieve significant growth by capturing trends in the market

Sales (Comparison indexed to FY2024 as 100)



# Industrial High-Performance Materials:

Life &amp; Healthcare

## Business overview & DNP's strengths

A battery pouch serves as the outer casing for lithium-ion batteries, designed to protect the internal components. DNP has achieved key features for this product, such as high insulation, superior sealing and airtightness, through its unique combination of technologies. Being a film-type material, it is lighter and more versatile compared to conventional metal can types. Consequently, the market for battery pouches has expanded, particularly for IT devices like smartphones and tablets, as well as for automotive applications such as electric vehicles (EVs). To meet the anticipated growing demand, DNP will increase its production capacity both domestically and internationally. By leveraging its strengths in unique converting technologies and proprietary patents, DNP aims to maintain and strengthen its position as the global leader in market share. Additionally, we will work toward establishing ourselves as the industry's de facto standard and enhancing our presence in the global market.

### DNP's strengths in realizing essential functions for battery pouches

- High sealing and airtightness to prevent electrolyte leakage
- High water vapor barrier property to prevent moisture ingress
- High moldability to increase battery capacity
- High insulation to support high voltage and large batteries
- Heat resistance and stability at high temperatures to ensure stable operation in harsh environments



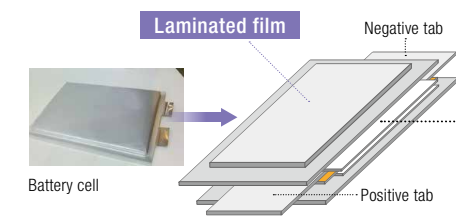
### DNP's strengths in enhancing competitiveness

- Global standard
- Stable track record even for use with large-scale batteries
- Certified to IATF 16949 automotive quality management systems

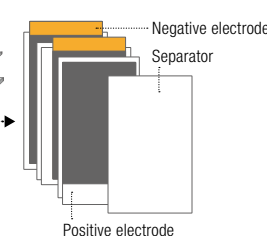
### Product image and product lineup



### Laminated cell structure



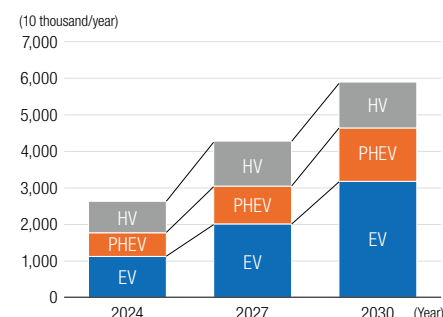
### Laminated electrode



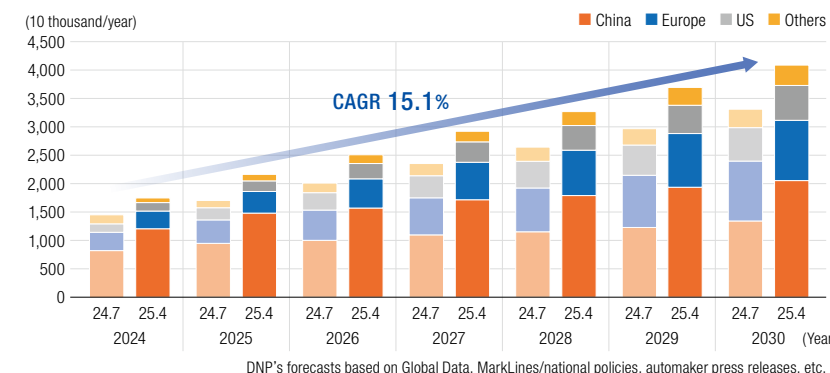
## Market environment

- Global sales of new EVs are trending upward, and the medium- to long-term shift toward electrification remains unchanged.
- Environmental regulations, such as stricter CO<sub>2</sub> emissions standards in Europe by 2030, are driving long-term expansion of efforts to reduce environmental impact.
- Automakers are pursuing diversified strategies that include EVs, plug-in hybrid vehicles (PHEVs) and hybrid vehicles (HVs), increasing options for end users.

### EV, PHEV and HV sales volume



### Regional sales of EVs and PHEVs (Comparison Between July 2024 and April 2025 Forecasts)



DNP's forecasts based on Global Data, MarkLines/national policies, automaker press releases, etc.

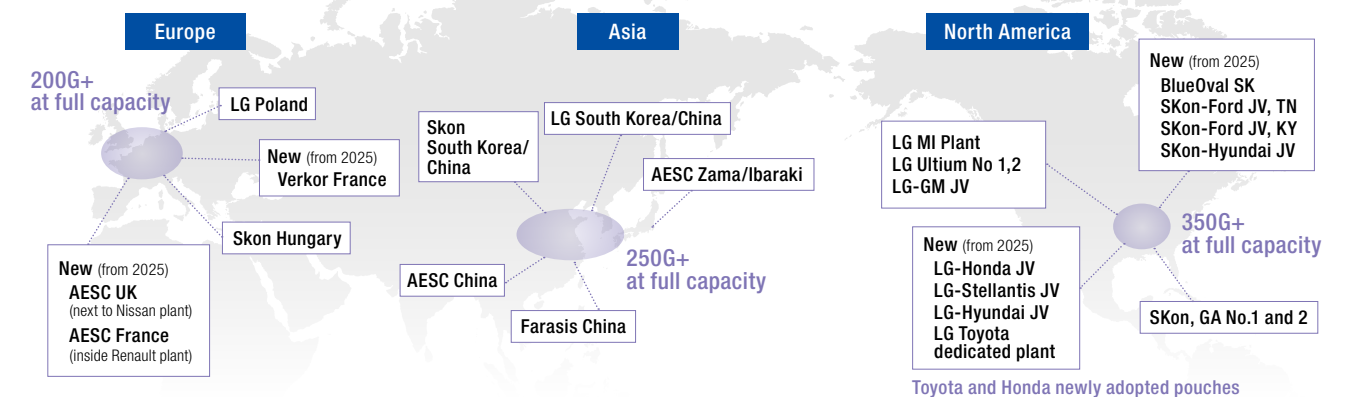
# Battery Pouches for Lithium-Ion Batteries

Global top  
market share

## Growth strategy

- Leverage pouch-type battery plants, scheduled to start operations in Europe and the US in 2025–2026, as a driver of growth.
  - These plants, often established through joint ventures or contract-based partnerships between automakers and battery manufacturers, are expected to generate stable demand.

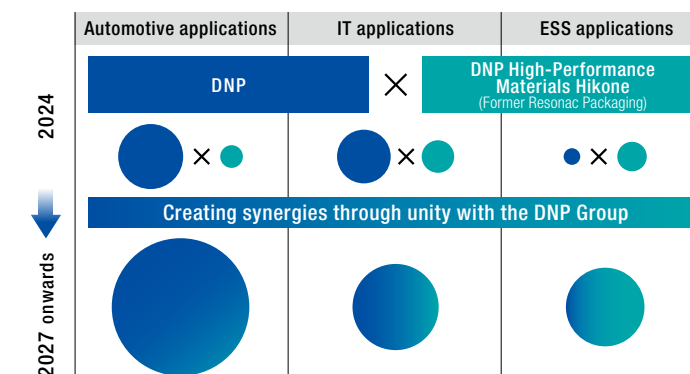
### Major battery pouch plants



- Expand synergies with DNP High-Performance Materials Hikone (former Resonac Packaging), consolidated into the Group in February 2025

- Operate across all product areas: automotive, IT devices and energy storage systems (ESS)
- Leverage All DNP to integrate strong patents and technologies, creating robust entry barriers and enhancing competitiveness against other companies and alternative technologies

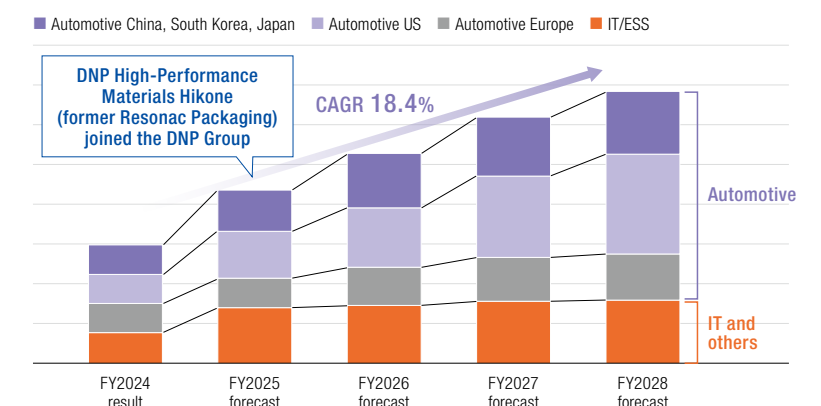
### Expansion of product lineup through the realization of synergies



- The DNP Group has achieved global top market share for battery pouches used in automotive and high-end IT applications.
- Former Resonac Packaging, strong in ESS and producing e-cigarettes and mid-range products.
- Together, the two companies hold over 800 patents, and by integrating their manufacturing know-how, technology development and production strengths, they further enhance their competitive advantage.

## Performance trends and future outlook

- From February 2025: Expand product areas through synergies following the consolidation of DNP High-Performance Materials Hikone (former Resonac Packaging) into the Group.
- 2025–2026: Accelerate business growth, leveraging the full-scale start of new battery plants in Europe and the U.S.
- Medium- to long-term outlook: Anticipate market trends and consumer needs to develop and deliver higher-value products and services, contributing to a "better future."



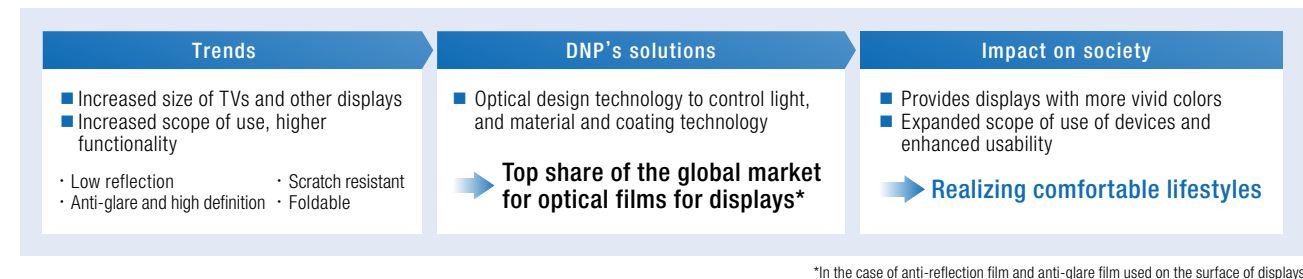


# Digital Interfaces: Optical Films for Electronics

## Business overview & DNP's strengths

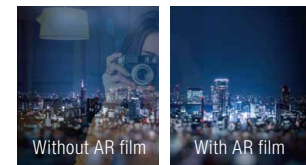
DNP provides optical films for displays with diverse functionalities by leveraging our proprietary optical design and converting technologies (material processing). From large displays to those in smaller devices, we offer a broad range of products tailored to various applications. We anticipate global trends, manufacturer requirements, and consumer expectations, continually striving to achieve even higher functionality. We hold the world's leading market share in anti-reflection (AR) and anti-glare (AG) films, and also offer retardation films that enhance contrast and expand viewing angles. Additionally, we are expanding production capacity through initiatives such as introducing the world's widest equipment to accommodate larger displays. Going forward, we aim to continue delivering displays with more vivid colors and improved usability, realizing comfortable lifestyles.

## Value creation process of optical films

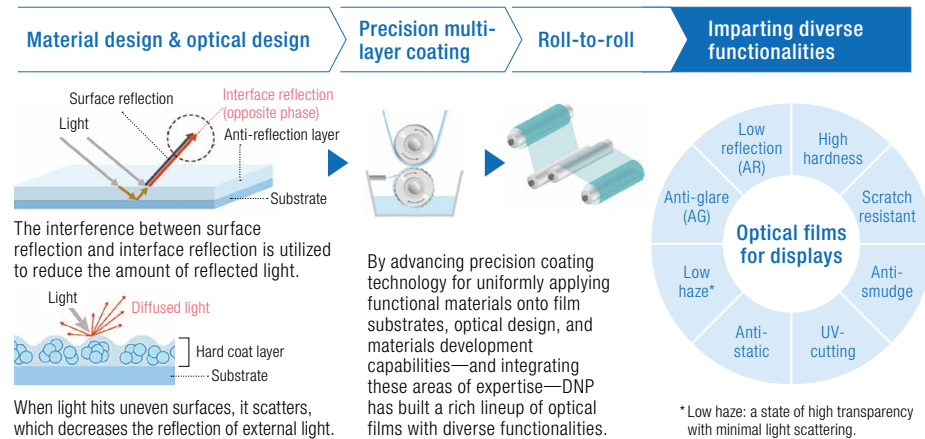


## DNP's strengths (manufacturing process of key products)

### Anti-Reflection (AR) Film

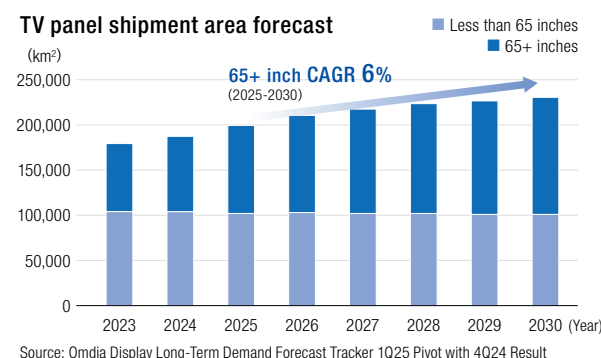


### Anti-Glare (AG) Film



## Market environment

- The demand for optical films used in large displays is increasing because of the growing size of TVs and other displays.
- We are increasing our production capacity to ensure a consistent supply.



Business environment	<ul style="list-style-type: none"> <li>Increased size of TVs</li> <li>2025→2030 Overall TV panel size CAGR: 3%</li> <li>65+ inch CAGR: 6%</li> </ul>
Opportunity	<ul style="list-style-type: none"> <li>Increasing demand for high function optical film for large-screen TVs</li> </ul>
DNP's strengths	<ul style="list-style-type: none"> <li>Large-scale technology, advanced functionality technology, optical design technology that controls light reflection, materials, and coating technology.</li> <li>Extensive production lineup to accommodate various film substrates.</li> <li>In-line multilayer coating production equipment to produce high functionality and high quality products.</li> <li>Ability to provide a stable supply of high-quality products while pursuing high productivity.</li> </ul> <p><b>Key initiatives</b></p> <p>We will enhance our production capacity and ensure a stable supply by initiating the operation of a second ultra-wide line capable of handling widths of up to 2,500 mm, which is scheduled to commence in September 2025.</p> <div> </div>

# Displays

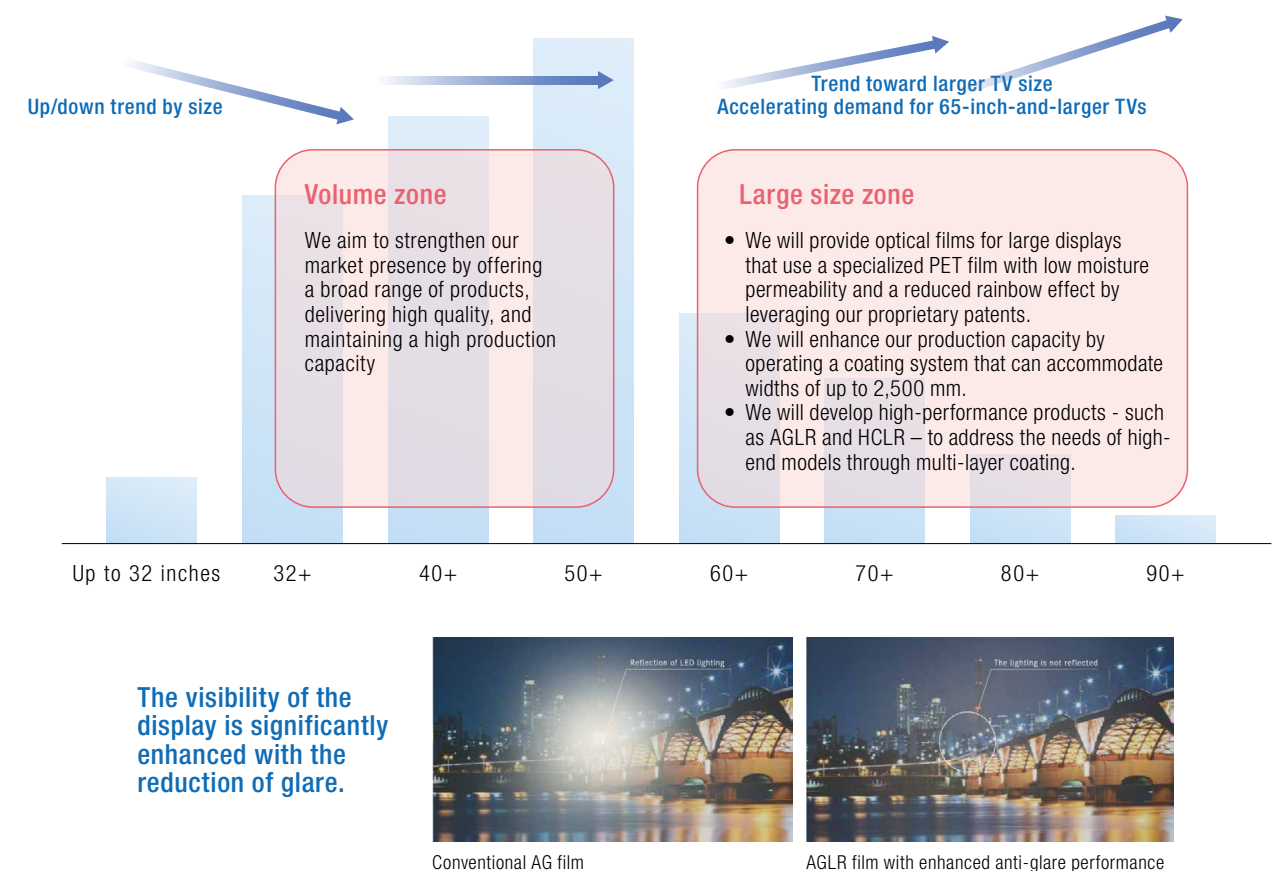
Global top market share\*

\* In the case of anti-reflection film and anti-glare film used on the surface of displays

## Growth strategy

- We aim to further expand our market share by increasing our production capacity for high-performance, high-quality products utilizing inline multi-layer coating.
- Respond to diverse needs of manufacturers and consumers by supporting a variety of film substrates
  - Capable of handling TAC (triacetylcellulose), acrylic and PET (polyethylene terephthalate)
  - Utilize DNP's proprietary patents to employ a special PET with low moisture permeability and reduced rainbow effect for large displays

## Image of number of units shipped by television size



## Performance trends and future outlook

### 2024 result

Significant growth driven by an increase in the shipment area of optical films.

- Background**
- Larger TV panels
  - Changes in the supply chain
  - Increased TV sales due to consumer goods replacement subsidies in China
  - A spike in shipments due to US tariff policies

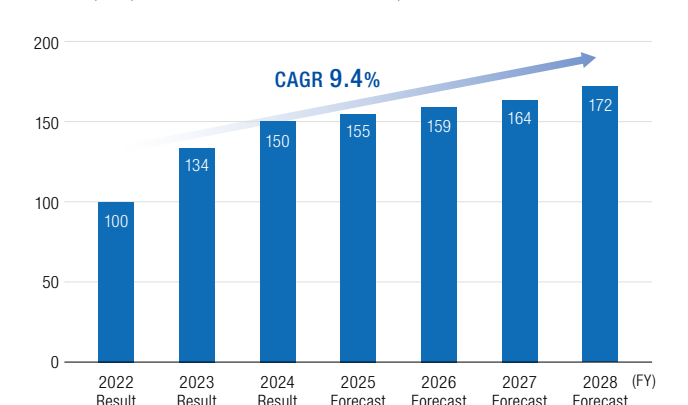
### 2025 forecast

Demand is expected to continue following 2024.

### Future outlook

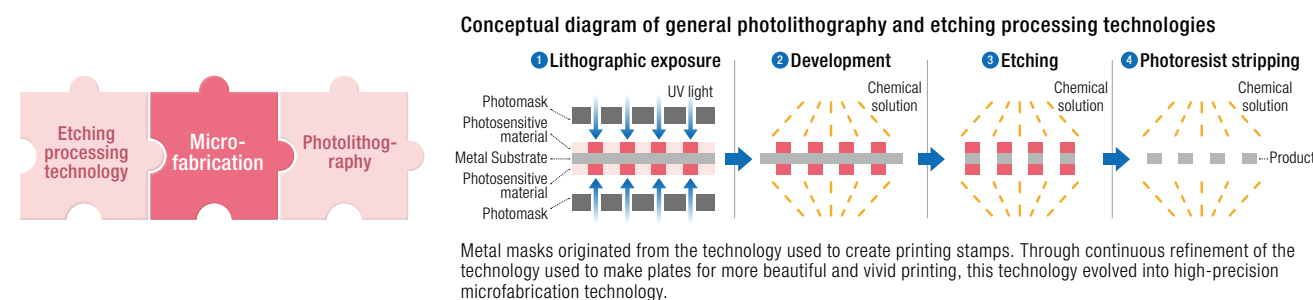
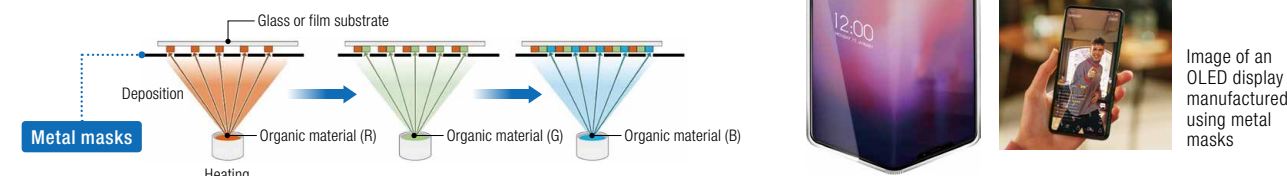
We expect increasing demand for wide, multi-layer, high-value-added products manufactured using wide-width coating equipment, reflecting the trend toward larger displays.

### Sales (Comparison indexed to FY2022 as 100%)



## Business overview &amp; DNP's strengths

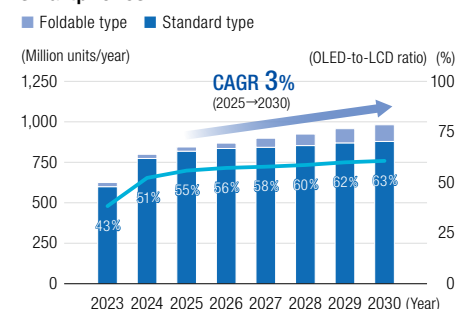
Metal masks are key components used in the deposition method, the current standard for manufacturing small- to medium-sized OLED displays. They are essential for forming red, green, and blue (RGB) organic materials on substrates. In recent years, OLED adoption has expanded from smartphones to tablets, laptops, and automotive devices, driving expectations for further market growth. DNP began developing metal masks in 2001, leveraging its proprietary photolithography and etching technologies. Having contributed to the OLED display market since its early days, DNP now holds a leading global market share. We will continue to support diverse needs, including thinner, lighter, and higher-resolution displays.

DNP's core technologies  
(Vapor deposition process in OLED display manufacturing)

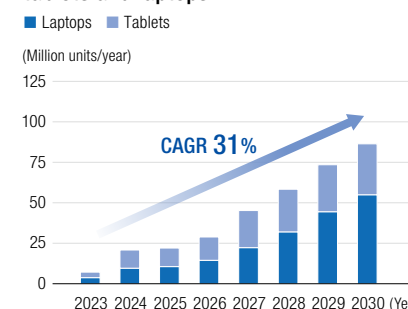
## Market environment

- The use of OLED displays in smartphones is growing.
- Adoption of OLED displays is expanding in tablets, laptops, and automotive displays

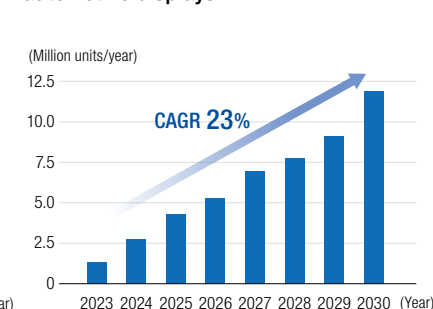
## OLED panel shipment forecast for smartphones



## OLED panel shipment forecast for tablets and laptops



## OLED panel shipment forecast for automotive displays



Source:Omdia Display Long-Term Demand Forecast Tracker 1Q25 Pivot with 4Q24 Result

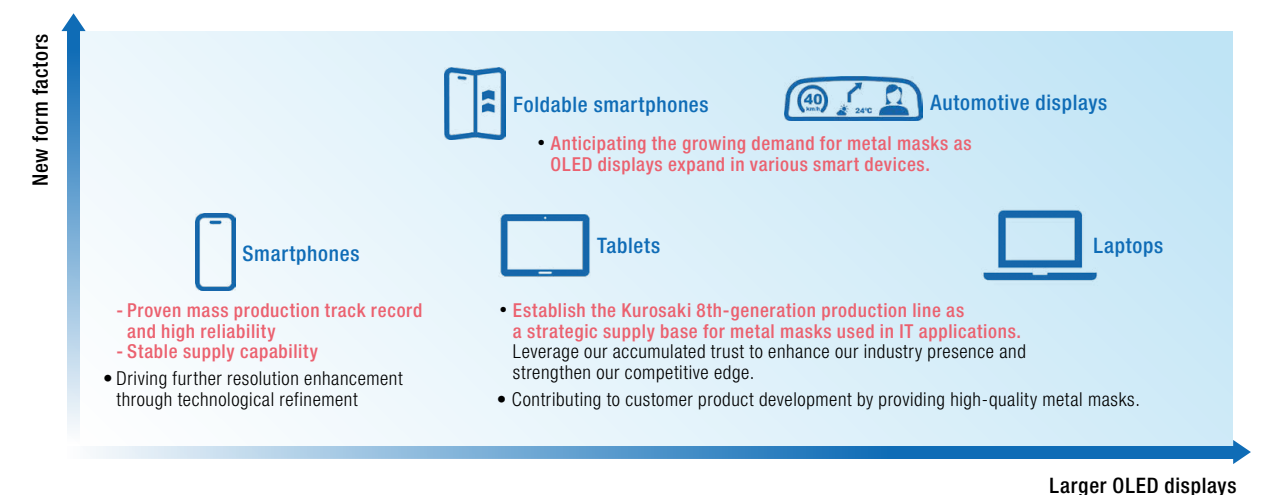
## OLED Display Manufacturing

Global top  
market share

## Growth strategy

- Leverage technological strengths and patent strategies to maintain and enhance global market leadership
- Anticipate the growing demand for metal masks as OLED displays expand in various smart devices.
- Contribute to the evolution of displays by providing high-quality and reliable metal masks.

Business environment	<ul style="list-style-type: none"> <li>While the smartphone market has reached maturity, <ul style="list-style-type: none"> <li>The percentage of OLED display use in smartphone displays is growing</li> <li>The new form factor of foldable displays has emerged</li> </ul> </li> <li>The adoption of OLED displays in tablets, laptops, and automotive displays is growing, leading to an increase in size.</li> </ul>
Opportunity	<ul style="list-style-type: none"> <li>Requirement for even higher-definition OLED displays</li> <li>Increasing demand for 8th-generation metal masks</li> </ul>
DNP's strengths	<ul style="list-style-type: none"> <li>High-precision photolithography and etching processing technologies.</li> <li>Superior technological development capabilities.</li> <li>Ability to provide a stable supply of high-quality, high-definition products.</li> <li>Extensive patents and know-how related to materials, manufacturing methods and products.</li> </ul> <p><b>Key initiatives</b></p> <p>Strengthening our 8th-generation production line, primarily for IT applications</p> <p>The 8th-generation metal mask production line (Kurosaki, Fukuoka Prefecture) began operations in May 2024 and continues to manufacture products for customer applications.</p> <ul style="list-style-type: none"> <li>Timely delivery of products according to customers' needs and plans.</li> <li>Ongoing enhancement of quality and production capacity.</li> </ul>



## Performance trends and future outlook

- DNP will continue to adapt to changes in the display market and ensure stable supply.
- Through the execution of our growth strategy, we plan to achieve a CAGR of 9.3%, surpassing the market growth rate.

## 2024 result

Sales fell due to the post-surge adjustment after strong development demand in fiscal 2023.

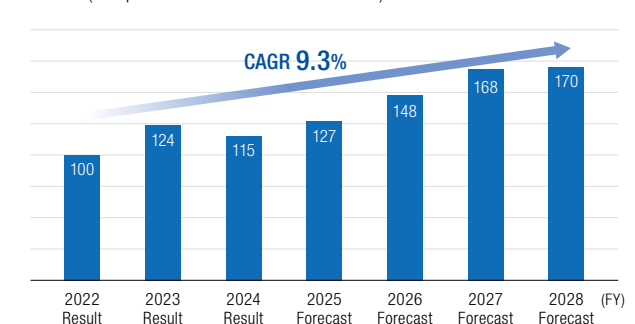
## 2025 forecast

The trend of increasing OLED panel adoption in smartphones and other devices continues.

## Future outlook

We expect increased demand for IT devices such as tablets and laptops.

Sales (Comparison indexed to FY2022 as 100)

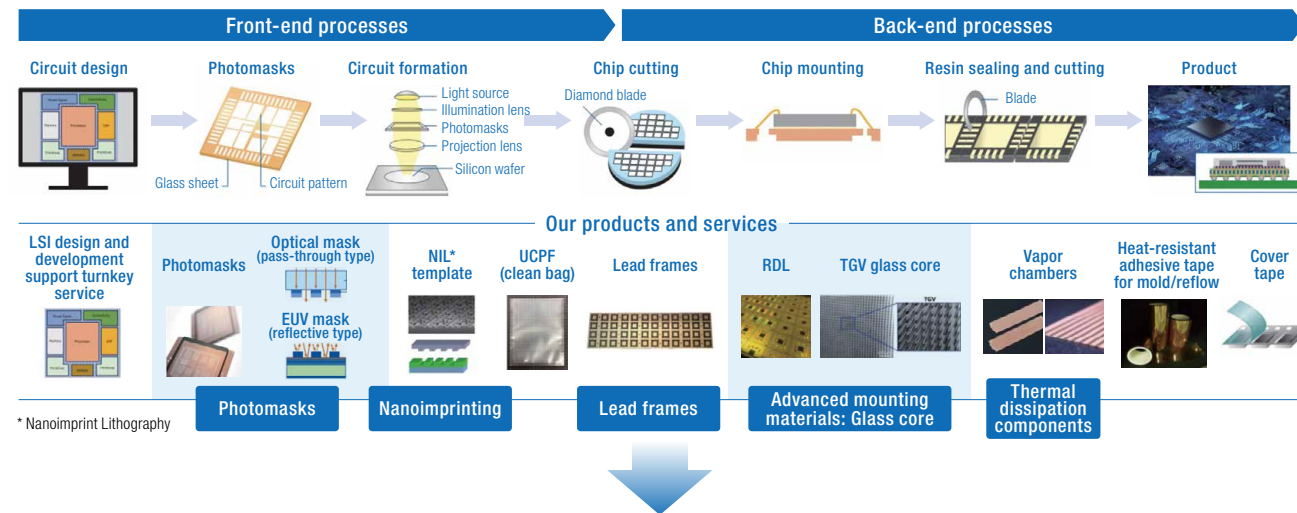




## Business overview &amp; DNP's strengths

DNP provides a wide range of products and services across the entire manufacturing process for semiconductor products, a market experiencing global demand growth with the expansion of generative AI, the metaverse, and data centers. We continuously refine and integrate our proprietary technologies, including microfabrication and precision coating, and actively pursue M&A and business partnerships with companies that bring complementary strengths to DNP, accelerating the creation of new value.

## Semiconductor fabrication process and DNP's semiconductor-related products and services



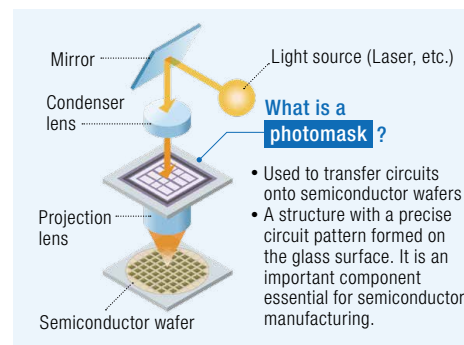
## Front-end semiconductor fabrication processes

## ● Photomask

A photomask is a glass plate that functions like a photographic negative, using light to transfer intricate circuit patterns onto substrates. DNP has independently advanced microfabrication technologies cultivated through printing processes to provide a wide range of photomasks. Beginning with the successful development of vapor-deposited masks for transistors in 1959, DNP now offers photomasks capable of achieving patterns at the 2-nanometer (1 nm = one-billionth of a meter) level, contributing to the advancement of electronic products.

## ● Template for nanoimprinting

Nanoimprint lithography (NIL) is a technology in which a template (stamp) is pressed onto a substrate coated with UV-curable resin, transferring the circuit patterns on the template onto the resin as ultrafine protrusions and depressions. This method enables the production of next-generation semiconductor products and is attracting attention as a way to significantly reduce power consumption in the manufacturing process.



## Back-end semiconductor fabrication processes

## ● Lead frame

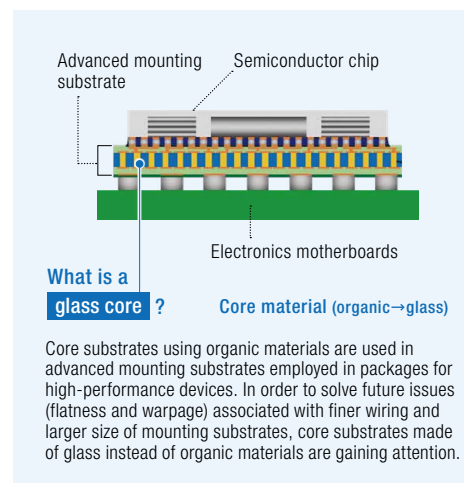
DNP began producing lead frames—the substrates used to mount and connect semiconductor chips—in 1964. Anticipating the growing demand for higher performance, increased functionality, and smaller, lighter semiconductor products, DNP has developed and provides a diverse range of lead frame solutions.

## ● Glass core

For semiconductor package substrates, glass is gaining attention as a core material due to its superior flatness and low warpage, addressing the need for finer circuit patterns and larger chips compared with conventional resin-based cores. This requires the formation of fine, high-density through-glass vias (TGVs) connecting the front and back surfaces of the glass. DNP combines its expertise in handling thin, large glass developed for LCD color filters with advanced microfabrication technologies to realize glass cores. Development in this area is being accelerated as a key growth-driving business.

## ● Thermal dissipation components and vapor chambers

As smartphones and other devices increase in capacity and functionality, effectively managing heat from components while maintaining space for long-lasting batteries has become a critical challenge. DNP has developed thin vapor chambers with hollow structures created by bonding metal plates, which efficiently transfer heat to reduce internal device temperatures. Precision etching is applied to achieve the thin, high-performance design required for modern electronics.



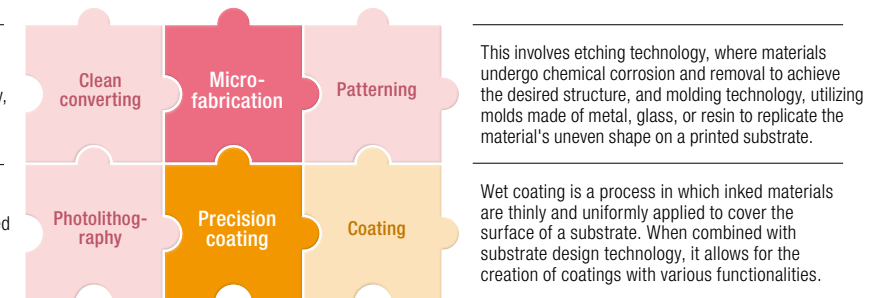
## DNP's strengths

- Offering a range of products and services throughout the entire semiconductor manufacturing process by leveraging proprietary technologies cultivated through printing
- Accelerating value creation through strengthened alliances with external partners
- Capability to address cutting-edge semiconductor manufacturing processes such as nanoimprint and extreme ultraviolet (EUV)
- Developed a next-generation semiconductor package TGV glass core substrate
  - Applied and advanced technologies for handling thin, large glass and precision processing
  - Improved adhesion between glass and metal using a new method developed by DNP, achieving high precision and reliability

## Examples of our core technology in Electronics

We utilize our distinctive optical design technology as the foundation, incorporating precision thin-film clean coating technology and converting technology, including LCD coating, to deliver optical film products with a wide range of functionalities.

This technology forms high-resolution replica images by exposing a photosensitive agent applied to the substrate's surface to light or electron beams, thus creating the original image.

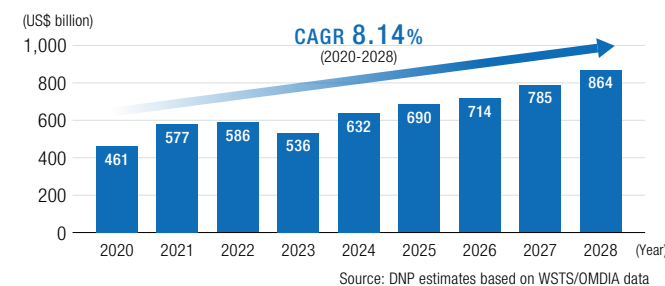


## Market environment

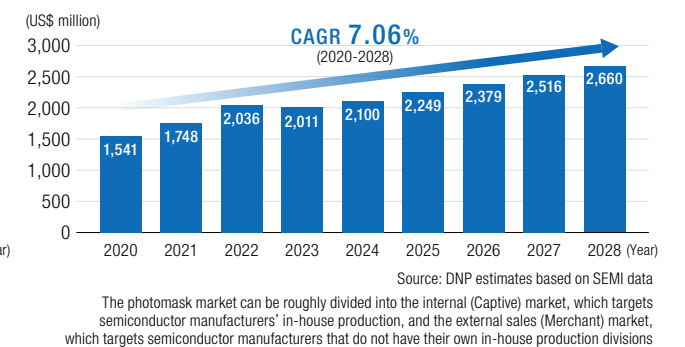
## ■ Photomasks: The photomask merchant market is also expected to grow steadily alongside the expansion of the semiconductor market.

- The semiconductor market is projected to grow at a CAGR of 8.14% from 2020 to 2028, driven by expansion in AI-related technologies and automotive applications.
- The photomask merchant market, which is one of DNP's business areas, is also expected to grow steadily in line with the expansion of the semiconductor market.
- Recently, growth in consumer and industrial equipment has stabilized, and US tariff policies may have some impact; however, the photomask merchant market—particularly for newly developed products—is expected to remain robust.

## Semiconductor market actual/forecasts



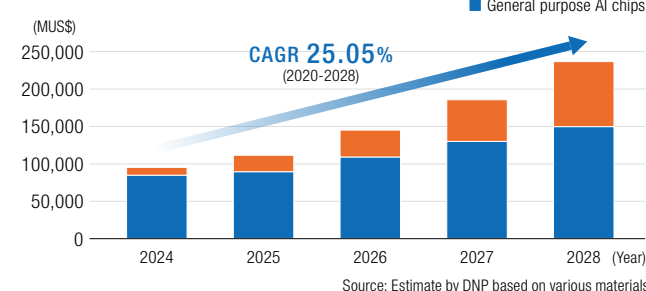
## Photomask merchant market actual/forecasts



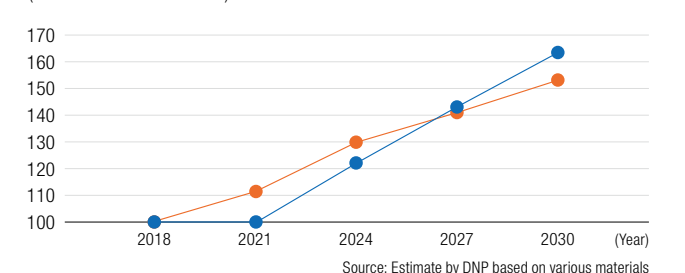
## ■ Glass cores: Driven by advancements in AI and chiplet technology, as well as the trend toward larger package sizes, glass cores are attracting attention, and semiconductor manufacturers are increasingly adopting them.

- Against the backdrop of advancements in AI and the growing use of chiplets, package substrates for advanced devices are becoming larger.
- Demand for glass cores is emerging as a solution to the limitations of conventional organic (resin) cores in terms of warpage, flatness, and rigidity.
- From the second half of 2024, efforts to evaluate package reliability in preparation for glass core adoption are accelerating.

## Cloud AI chip market forecast

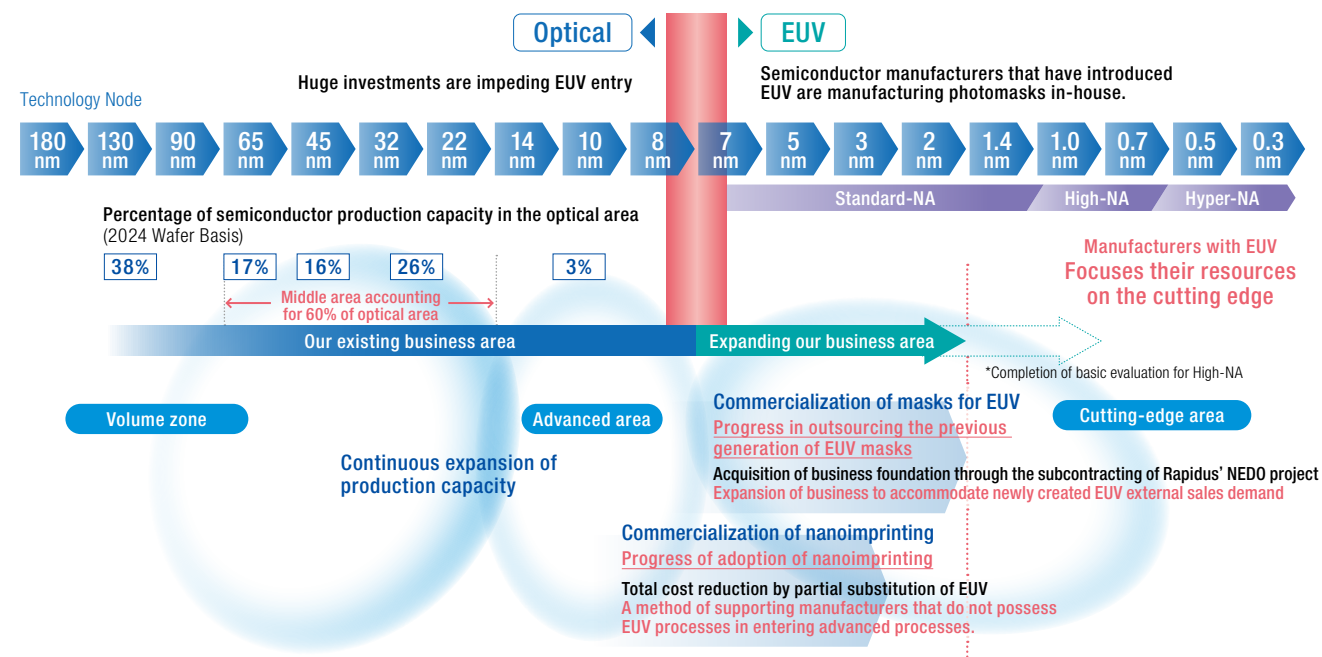


## Average package size for servers forecast



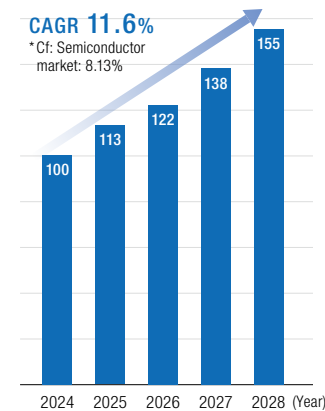
## Growth strategy

- As a merchant photomask manufacturer, DNP is strengthening its capabilities in cutting-edge areas with high market potential, in advanced areas with sustained growth, and in high-volume product segments, aiming to comprehensively cover the semiconductor market and achieve sustainable business expansion.
  - Using the subcontracting of Rapidus' New Energy and Industrial Technology Development Organization (NEDO) project as a business foundation, DNP aims to expand its operations to meet the merchant sales demand of newly established in-house manufacturers.
- DNP will further promote and strengthen its core competitive advantages—robust partnerships and continuous technological development—to create new value.



## Performance trends and future outlook

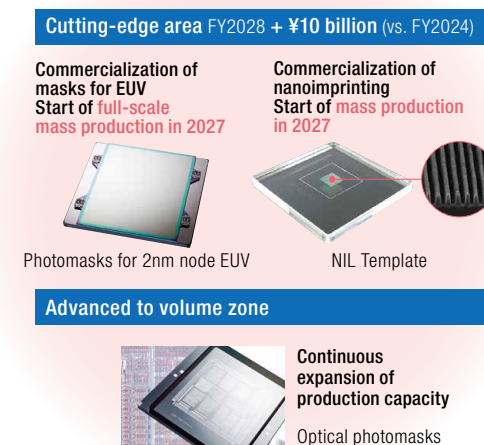
- As a core product of DNP's semiconductor business, we will continue to make proactive investments in photomasks.
  - We plan to achieve growth exceeding that of the overall semiconductor market.

Sales plan indexed to  
2024 as 100

FY2025 progress (comparing with previous IR-Day report)

<b>Sales</b> vs. FY2022
15% increase expected as planned
<b>Investment</b> from FY2023 to FY2025
Expected to implement ¥20 billion as planned
Expected to be 10% or overall sales as planned
<b>Cutting-edge area</b>
<b>Masks for EUV</b>
- Start of development of 2nm generation → resolution successful
- Start of shipment of masks for EUV with the launch of a pilot line at Rapidus
- Increase in inquiries from major manufacturers
<b>Nanoimprinting</b>
Increase in inquiries from various companies → start of evaluation work
<b>Advanced to volume zone</b>
Expected to secure 120% production capacity as planned (compared to FY2022)

Growth drivers

FY2026-FY2028  
Capital Investment Plan:  
¥30 billion

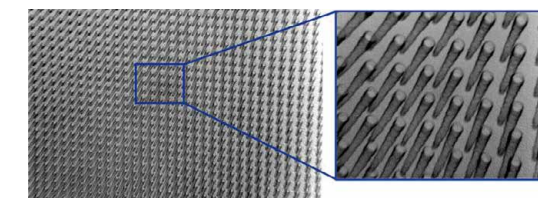
Investment targets:

- Cutting-edge area: mass production of photomasks for EUV, accelerated development and commercialization of nanoimprinting
- Advanced to volume zone: Strengthening production systems to respond to two areas that are expected to continue to expand

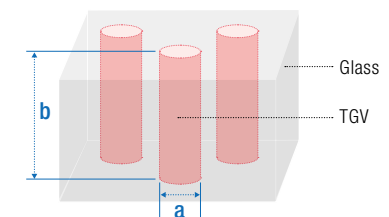
## Growth strategy

- As part of DNP's new portfolio for the semiconductor business, we will add glass cores.
  - Plan significant growth for glass cores as products that will drive the next generation of semiconductor-related businesses.
- We will gradually implement capital investments in line with the trend of semiconductor manufacturers increasingly adopting glass cores.
  - We anticipate starting mass production in 2028.
- Actively offer a lineup of products that leverage DNP's technological advantages while meeting the high-quality standards required by semiconductor manufacturers.
- Target high-value-added products featuring high aspect ratios and superior quality, achieving both large-capacity signal transmission and stable power supply through high-density Through-Glass Vias (TGVs), and advance stepwise preparations toward mass production.

TGV glass core



Aspect ratio (=b/a)



- Promote development and commercialization centered on collaboration with partner manufacturers and other partners
- From fiscal 2024, we are planning capital investment in line with the movements by semiconductor manufacturers and substrate manufacturers.

Main investment targets

- Pilot line: Scheduled to be completed at end of 2025 (Kuki City, Saitama)
- Full-scale mass production line: Planning large-scale investment assuming shift to mass production in 2028

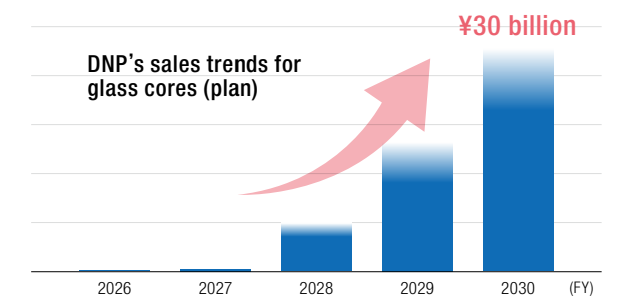


Current status of pilot line

## Performance trends and future outlook

- Semiconductor manufacturers are currently conducting evaluations aimed at mass production application.

- The decisions on whether to adopt the technology are expected to be made from the end of 2025 to the first half of 2026.
- Manufacturers are expected to gradually commence mass production from 2028.

DNP's next-generation semiconductor package TGV Glass Core Substrate  
wins Grand Prize in the Semiconductor Electronic Materials category of  
the Semiconductor of the Year 2023 awards organized by Sangyo Times, Inc.

The awards are presented in three categories—Semiconductor Devices, Semiconductor Fabrication Equipment, and Semiconductor Electronic Materials—and winners are selected by Sangyo Times reporters through a rigorous voting process based on criteria such as the novelty of the development, establishment of a mass-production system, societal impact, and future potential.

DNP's new fabrication method was highly praised for improving the previously challenging adhesion between glass and metal, achieving both high precision and reliability, and increasing design flexibility in controlling warpage and flatness, enabling support for larger semiconductor packages.



Presentation by a DNP employee



# Strengthening of Human Capital



We will create a positive feedback loop that enhances corporate value by increasing human creativity through investment in human resources.

Kenji Miya, Executive Vice President

The key foundation and source of strength for the DNP Group in creating a “better future” is the presence of each employee. By allowing employees to take on challenges with confidence, we can develop their individual strengths. Through *TAIWA* (dialogue), we can combine these strengths, enabling us to continuously provide new value to society and people.

The DNP Group has formulated its Human Capital Policy to represent the company’s universal and fundamental approach to human resources. This policy clearly expresses

improving efficiency

our belief that respecting employees leads to the respected employees driving corporate growth and enhancing society alongside our desire for each individual to develop their strengths and grow further in their roles both within and outside the company. Based on this policy, we will produce employees who can perform their roles both within and outside the company by supporting employee career autonomy that leads to value creation.

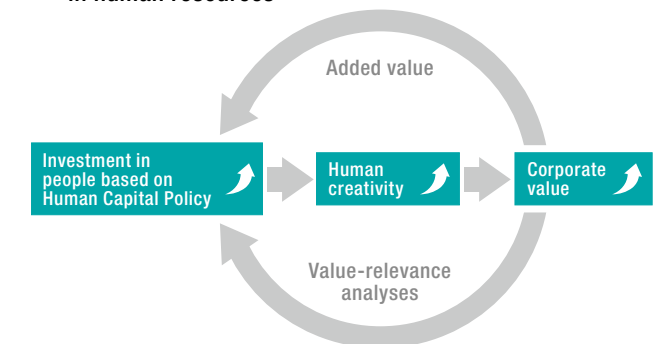
In addition, to strengthen human capital, which is the key to value creation and the driving force of growth, we declared both internally and externally our commitment to significantly elevating human creativity (value-added productivity) on a global scale toward establishing a positive feedback loop in which investment in people contributes to enhancing corporate value. To achieve this, we have identified four material issues, each accompanied by specific measures, and are accelerating our initiatives. Furthermore, to confirm whether our investments in people and various HR initiatives are contributing to improvements in human creativity, financial value, and corporate value, we conduct DNP’s unique value relevance analyses. These analyses enable us to enhance the effectiveness of each initiative.

To further align our business and talent strategies, we will clarify the following three aspects: the ideal characteristics (mindset) of talent necessary to realize the management and business strategies, the desired careers (job roles) as key contributors to strategically growing businesses, and the abilities and skills required for talent involved in priority businesses. We will visualize the necessary talent profile, the

target careers, and skills that each employee should aim to develop, in order to effectively execute our management and business strategies.

As a result of these initiatives, human creativity rose by 8.2% in fiscal 2024 compared to fiscal 2022, showing steady growth in human capital indicators. Not stopping here, we will continue to actively and continuously promote a variety of initiatives until all our employees are able to experience transformation. We will achieve a positive feedback loop in which investment in human resources elevates human creativity and leads to enhanced corporate value, further strengthening human capital, the greatest strength of the DNP Group.

## Positive feedback loop of investment in human resources



## The link between strengthening human capital and enhancing corporate value

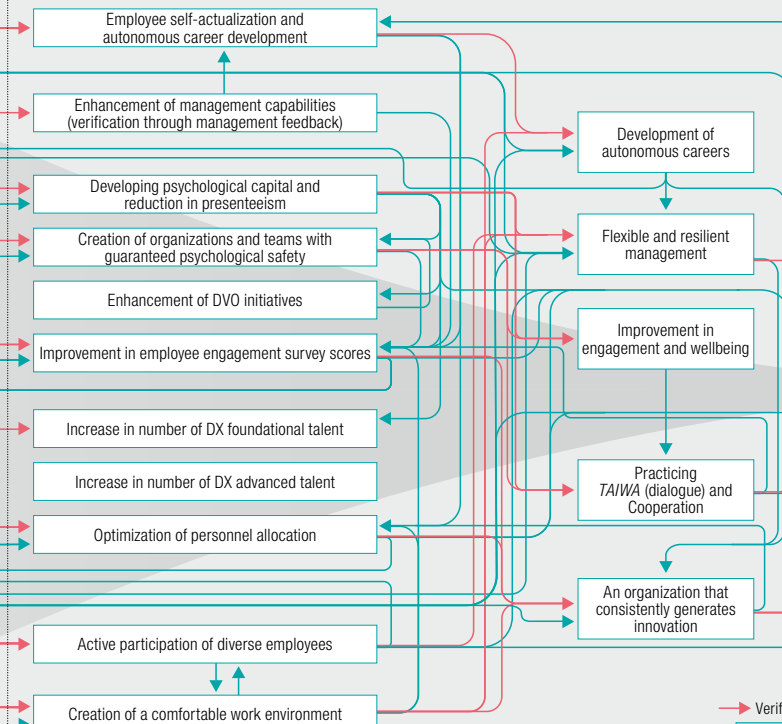
### Material issues / Initiatives

- Support for career autonomy of employees and strengthening of organizational capability**  
Implementation of a DNP version of “compensation and related policies that are more closely founded on a job-oriented perspective” [▶ P58](#)
- Health and productivity management that increases the happiness of employees**  
Management reform based on DNP Group Declaration on Health [▶ P59](#)
- Hiring, personnel assignment and reskilling based on human resource portfolio**  
Implementation of personnel assignment to focus business areas and reskilling [▶ P60](#)
- Promotion of D&I utilizing diverse individuality**  
Cultivation of culture enabling active participation by diverse personnel [▶ P64](#)

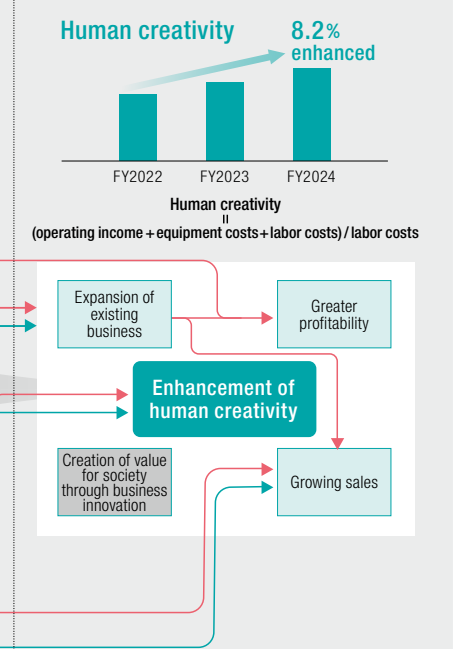
### Specific measures

- Dual ladder post-based compensation and support for career autonomy
- Maintaining and securing competitive compensation levels and systems
- Enhancement of training programs aimed at strengthening organizational capability
- Measures to realize the DNP Group Declaration on Health
- Penetration of DNP Value Objectives (DVO) system (DVO: DNP Value Objectives)
- Measures to improve organization engagement
- Strengthening of hiring and expert training based on human resource portfolio
- Visualization and raising of skill level of DX talent
- Reskilling from business areas under structural reform to strategic focus areas
- Promotion of active participation by women (enhancing diversity in decision-making)
- Encouragement of male employees to take childcare leave (support for work-life balance)
- Implementation of unconscious bias training for all employees (fostering a highly psychologically safe workplace culture)
- Cultivation of D&I sense of ownership awareness
- Promoting dual ladder career (Management/Specialist)
- Support for employees’ career autonomy
- Promoting job-based (post-based) compensation and securing specialized human resources
- Enhancing training programs to improve management skills
- Expanding health and productivity promotion programs for employees
- Management transformation and strengthening of team capabilities through penetration of the DVO system (1 on 1 meetings/team meetings)
- Development of DNP Wellbeing Awards to strengthen organizational and team capability
- Strengthening hiring and training of specialized personnel
- Expansion of DX training program
- Definition and visualization of the skill level of DX foundational talent and DX advanced talent
- Facilitating job transfers after reskilling training
- Increasing number of female managers
- Improving male childcare leave uptake rate
- Increasing number of participants in unconscious bias training
- Promotion of D&I measures

### Direct effects and impact on the external environment



### Enhancement of financial and corporate value



→ Verified value chain from left to right as hypothesized → Verified connections  
 [Grey box] New initiatives excluded from verification due to insufficient data for analysis  
 Analysis: ABeam Consulting Ltd., Digital ESG Platform

## Strengthening of Human Capital

## Support for career autonomy of employees and strengthening of organizational capability

We are introducing and implementing initiatives that support each employee's autonomous career development and willingness to take on new challenges based on our Human Capital Policy. Through DNP's unique value relevance analyses, we examined the correlation between various systems that support career autonomy and engagement. The results revealed that an increase in users of career support systems leads to improved engagement, which in turn contributes to enhanced productivity. In response, we are working to further strengthen initiatives and systems that support autonomous career development. In addition to these initiatives that will enhance personal strengths, we will continue working to improve management capabilities to further leverage the strengths and cultivate organizational culture.

## Strategies and measures

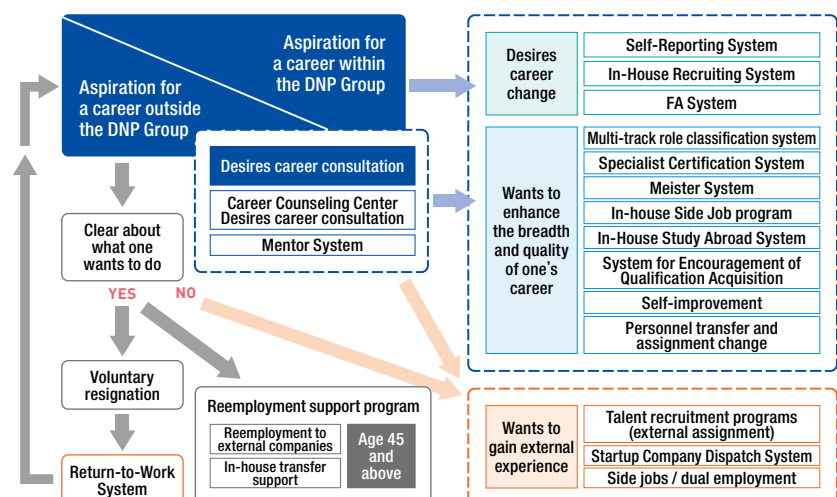
## DNP version of “compensation and related policies that are more closely founded on a job-oriented perspective”

We are implementing the DNP version of “compensation and related policies that are more closely founded on a job-oriented perspective” as one of the initiatives to support autonomous career development and challenges. This unique hybrid system, which emphasizes career autonomy, leverages the benefits of both membership-based and job-based employment. Specifically, we have established a multi-track role classification system that enables the autonomous selection of management (managerial roles) or specialist (professional roles). This system incorporates grade classifications that place greater emphasis on the respective duties and positions of each track. In our management feedback program, subordinates provide feedback to managerial staff, allowing for the visualization of their management performance on a regular basis and

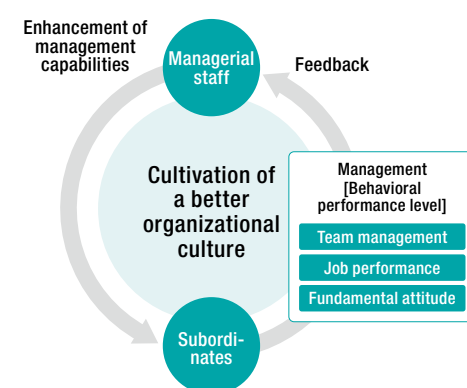
helping managers gain self-awareness by identifying their own challenges. This contributes to the enhancement of management skills and the cultivation of a better organizational culture, while also instilling the desired qualities of managerial staff throughout the entire DNP Group, including non-managerial employees.

We also continue to enhance our programs with a strong emphasis on the proactive and autonomous intentions of employees. In addition to the existing In-House Recruiting System, we have introduced talent recruitment programs to allow employees to challenge themselves in unfamiliar roles with confidence. We also launched the Startup Company Dispatch System, which enables employees to be assigned to external startup companies, where decision-making speed and management methods differ significantly.

## Support systems for career autonomy of employees



## Management feedback



## Enhancement of training programs aimed at strengthening organizational capability

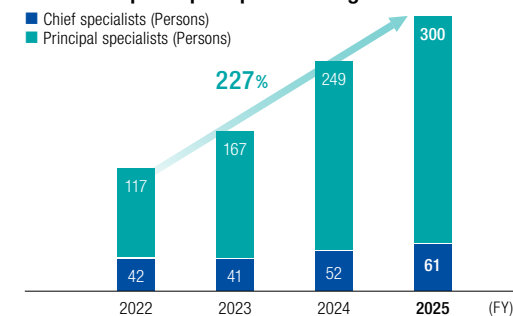
We aim to have our leaders acquire management literacy and improve their leadership and management skills through our Executive Leadership & Management Training (ELM Training) for nurturing the next generation of management leaders.

We also rotate personnel who are eligible for this training, and through gaining experience in multiple departments, we are strategically nurturing future management leaders with broader perspectives and higher-level viewpoints.

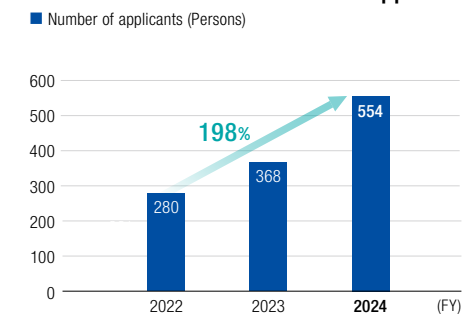
## Indicators

Indicator	Description	Value
Chief and principal specialists growth rate	Indicator demonstrating the rate of enhancement among specialists strengthening organizational capability	FY2022 comparison: <b>227%</b>
Internal recruitment: Number of applicants	Indicator demonstrating the use of our support for career autonomy	FY2022 comparison: <b>198%</b>

## Chief and principal specialists growth rate



## Internal recruitment: Number of applicants



## Health and productivity management that increases the happiness of employees

The DNP Group is engaged in Health and productivity management based on the DNP Group Declaration on Health, which is based on our philosophy of safety and health taking precedence over everything else. Since last year, we have defined DNP Wellbeing as a common goal for all DNP Group employees, incorporating not only health and safety but also happiness (sense of challenge and trust), and have shared this definition company-wide. Through 1 on 1 meetings and team meetings, we promote a willingness to take on challenges and work to become an organization grounded in trust. To continue to reduce health risks and improve engagement, we visualize issues and conduct follow-ups based on both quantitative and qualitative data, such as measurement results and surveys. Together with improvements to facilities and the work environment, we are also developing a work culture in which each employee participates voluntarily.

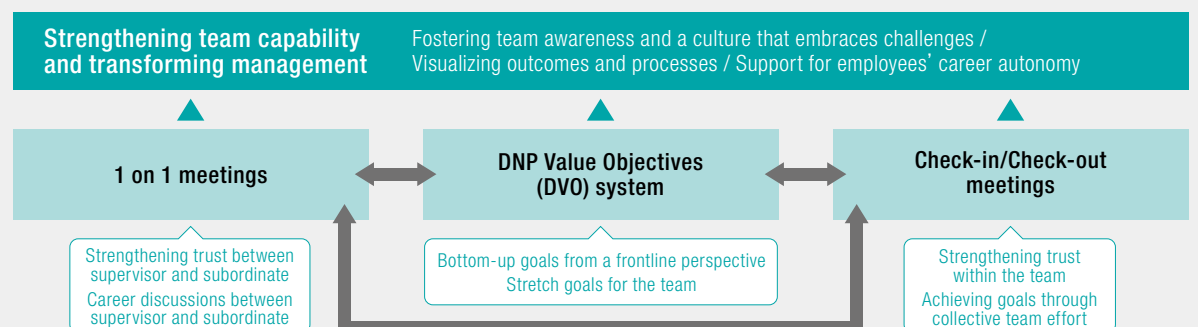
## Strategies and measures

## Health and productivity management strategies and priority measures that increase the happiness of employees

The DNP Group Declaration on Health focuses not only on physical and mental health but also on fostering each individual's psychological capital (a positive mindset) and building psychological safety (trust-based relationships) within the organization and teams.

## 1. Promoting the strengthening of team capability and the transformation of management

- We are implementing the unique DNP Value Objectives (DVO) system and operating it in conjunction with 1 on 1 meetings and team meetings. This approach aims to encourage each individual to take on challenges and build the organizational trust that supports them.





## Strengthening of Human Capital

## 2. Creating a vibrant workplace culture as a foundation for enhancing corporate value

- We have defined DNP Wellbeing as the optimal state for both individuals and organizations in which the three elements, namely physical and mental health and a safe and comfortable work environment as well as happiness (sense of challenge and trust), are fulfilled, and have shared it as the state all employees should aim for.
- We introduced the DNP Wellbeing Award to spread DNP Wellbeing throughout the entire DNP Group.

## 3. Enhancing DNP wellbeing through visualization of organizational issues and implementation of initiatives

- Visualize issues using engagement surveys and improve motivation through dialogue
- Enhance engagement and wellbeing by creating communication areas in manufacturing workplaces
- Regularly hold various events such as health measurements and walking challenges to support employee health and wellness
- Provide follow-up support through both high-risk response measures based on health checkups and lifestyle improvement initiatives
- Support improved health literacy through e-learning, etc., addressing women-specific health issues and providing cancer education



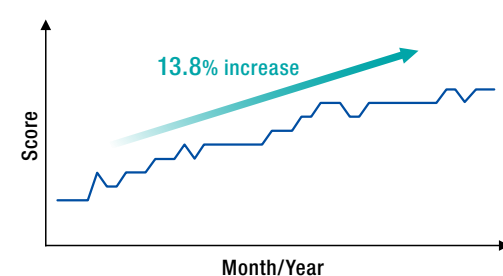
DNP Wellbeing

## Indicators

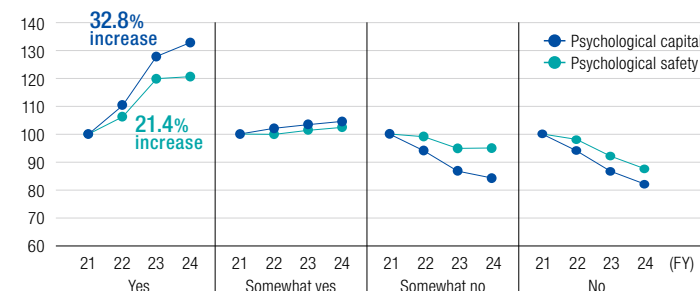
The following indicators are based on health and productivity management strategies and priority measures that increase the happiness of employees, and measures are implemented with the goal of improving upon the previous year's results.

Indicator	Description	Value
<b>Growth rate in Challenge indicator from the engagement survey</b>	Indicator representing the level of employees' willingness to take on challenges and the organization's support for such challenges	<b>FY2022 comparison: 13.8% improvement</b>
<b>Number of proposals for DNP Wellbeing Awards and number of volunteer judges</b>	Indicator representing proactive efforts toward improving DNP wellbeing	<b>FY2025 proposals: 205</b> (FY2024 comparison: 22.0% improvement) <b>Number of volunteer judges: 1,129</b>
<b>Status of improvement in psychological capital and psychological safety</b>	Indicator representing the status of employees' psychological capital and the status of organizational psychological safety	Psychological capital: Average percentage of respondents with the most positive response to questions on Hope, Efficacy, Resilience, and Optimism (4-point scale) <b>FY2021 comparison: 32.8% improvement</b> Psychological safety: Average percentage of respondents with the most positive response to questions on Ease of Communication, Mutual Support, Challenge, and Respect for Individuals (4-point scale) <b>FY2021 comparison: 21.4% improvement</b>

Engagement survey "Challenge" indicator



Status of improvement in psychological capital and psychological safety



Note: The percentages for both psychological capital and psychological safety are calculated based on the data from FY2021 set to 100.

## Hiring, personnel assignment and reskilling based on human resource portfolio

## Redeployment and reskilling of personnel from businesses for reforming to focus business areas

Since fiscal 2019, the DNP Group has developed a human resource portfolio that categorizes the talent truly required for each business into multiple types based on their roles, expertise, and management abilities. To effectively promote each business strategy, we assess the adequacy of talent for each type and promote recruitment, development, and placement that emphasize the qualitative aspects of our employees.

In recent years in particular, as the business environment undergoes rapid changes and we enter what is often referred to as the 100-year life era, the importance of reskilling is increasing more than ever. At DNP Group, as we work to build a strong business portfolio, we are placing greater emphasis on the redeployment and reskilling of talent from businesses for reforming to focus business areas.

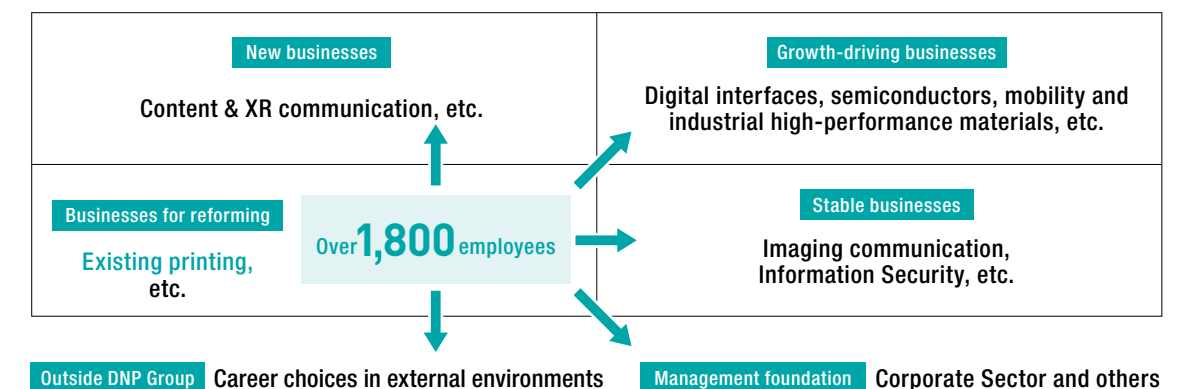
## Strategies and measures

## Personnel redeployment from businesses for reforming to focus business areas

At DNP Group, we assess the talent required to advance each business strategy based on our human resource portfolio and are promoting the redeployment of personnel from businesses for reforming to growth-driving and new business areas. Over the five-year period from fiscal 2020 to fiscal 2024, we reallocated more than 1,800 employees, including employees

who voluntarily transferred through in-house recruiting systems as well as those who opted for external careers. We will continue to implement reassignments from businesses for reforming to focus business areas as necessary in the future.

## Personnel redeployment overview (FY2020–FY2024)



## Transitioning to different roles through reskilling

For those transitioning to significantly different roles through deployment, we provided group training sessions to help them acquire the fundamental knowledge and skills needed in their new positions, as well as to foster the right mindset. As a specific example, we transitioned employees who had been working in businesses for reforming, including paper printing, to roles in manufacturing departments related to high-performance materials and semiconductors, as well as BPO businesses, after training them on safety and fundamental skills. We also transitioned employees in platemaking departments for paper printing to the Extended Reality (XR) Creative Department after skill training in 3D design.

Further examples include transferring employees to design departments after design and drafting skill training, as well as transitioning employees to entry-level ICT/DX roles focused on improving operational efficiency through the creation of databases for manufacturing-related departments and the use of Robotic Process Automation (RPA) and macros. Under the In-House Recruiting System with training for career changes, launched in fiscal 2022, employees have been able to voluntarily challenge themselves by transitioning into roles in unfamiliar focus business areas, with a wide variety of reskilling opportunities offered.

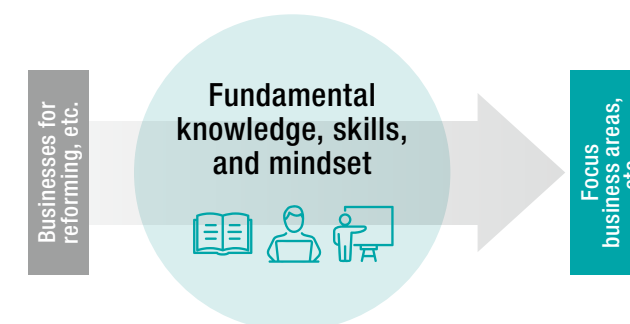


Image of the DNPweb (intranet) screen

## Indicators

Indicator	Description	Value
<b>Number of employees redeployed and reskilled</b>	An indicator of redeployment from businesses for reforming to focus business areas over the five-year period from fiscal 2020 to fiscal 2024 (including those who opted for external careers)	<b>Over 1,800 employees</b>

Strengthening of Human Capital

Strengthening hiring and training of specialized personnel

Ensuring the availability of talent with the expertise required to enhance corporate value is an important challenge amid the rapid changes in today’s social environment. In response to this imperative, DNP is committed to strengthening its recruitment and development strategies for highly specialized personnel, leveraging our comprehensive human resource portfolio. “Value creation through P&I Innovation” represents DNP’s DX initiative, and DNP is focusing on cultivating talent essential for driving DX. We categorize our DX talent into two levels — DX foundational talent and DX advanced talent — and provide both basic literacy training and customized specialized training.

Strategies and measures

Recruitment of highly specialized personnel

When it comes to recruiting rare and specialized talent, we not only focus on internal development but also actively seek external candidates to enrich our team. Especially for highly skilled professionals, we have established systems such as competitive compensation packages designed for our expert staff. For example, we have successfully recruited physicians and other medical professionals to bolster our medical and healthcare divisions. Additionally, we actively hire external specialists for side jobs and welcome candidates with experience as university professors or board members of publicly listed companies. Going forward, we will continue to promote the recruitment of necessary talent through the most appropriate methods and formats.

Defining levels of DX talent

We are committed to advancing the development of DX talent in accordance with the Digital Skill Standard (DSS) established by the Ministry of Economy, Trade and Industry. We categorize DX foundational talent as individuals who possess a fundamental understanding of digital transformation (DX) and recognize it as a personal responsibility; this category encompasses all employees within the DNP Group. In contrast, DX advanced talent consists of specialized individuals who actively support DX initiatives within their respective departments. We have established specific level definitions for fiscal 2024 to facilitate targeted training that aligns with each level.

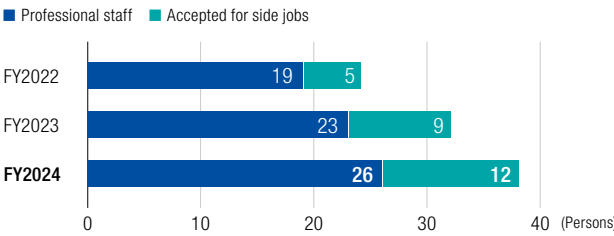
Strengthening the training of DX personnel

For DX foundational talent, our goal is to complete literacy training for 27,500 employees by the end of fiscal 2025. As of the end of fiscal 2024, a total of 25,473 employees have completed the course, representing a completion rate of approximately 92.6%.

We are focusing on the training of employees involved in ICT development to strengthen DX advanced talent with higher levels of specialized expertise. Targeting those who meet or exceed IT Skill Standard Level 3, a total of 1,036 employees attained this level in fiscal 2024. In addition to specialized programs in AI, cloud computing, and agile development, we are expanding practical, business-oriented training that empowers participants to apply their knowledge effectively to drive business growth and enhance operational outcomes. In fiscal 2024, we launched a new program that utilizes real business data for analysis, enabling participants to develop proposals for clients and improve operational efficiency. We will continue to expand these initiatives.

Additionally, we have introduced the P&I Training Course as a key placement option for new employees, where they intensively acquire the skills and mindset needed to promote DX

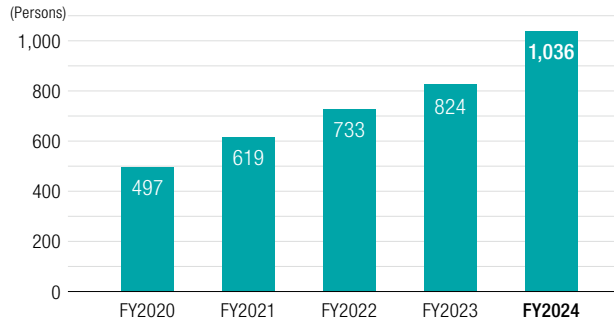
Hiring highly specialized personnel



Defining DX foundational and advanced talent levels

Levels	Overview	Talent
Level 5	A high-end player within the company capable of leading large teams.	DX advanced talent
Level 4	An individual who possesses a high level of skills related to DX, capable of leading their assignments, and ability to train the next generation.	
Level 3	An individual who possesses applied knowledge and skills related to DX, capable of making independent judgments and executing tasks related to their responsibilities.	
Level 2	An individual who possesses fundamental knowledge and skills related to DX and can perform their tasks under the guidance of superiors.	Candidates for DX advanced talent
Level 1	An individual who possesses the minimum required knowledge related to DX and can carry out their tasks while seeking guidance from superiors.	DX foundational talent
Level 0	An individual who does not possess the minimum required knowledge related to DX.	

Number of individuals with IT Skill Standard Level 3 or above (FY2020-2024)



\* The IT Skill Standard (ITSS) serves as an indicator for evaluating competencies related to IT, specifically designed to train specialized IT personnel.  
\* IT Skill Standard (ITSS) Level 3 signifies a level of proficiency where individuals possess applied knowledge and skills, enabling them to make independent judgments and execute tasks pertinent to their responsibilities.

over the course of about one year. Graduates of this course play important roles in advancing DX. Recognizing the importance of digital personnel early on, DNP launched this course in 1990 with the objective of nurturing digital talent. As of the end of

fiscal 2024, around 600 employees had completed the program. In fiscal 2024, we expanded eligibility to include recent high school graduates and introduced a specialized training course to prepare them for future roles in DX promotion.

Indicators

Indicator	Description	Value
Number of professional staff hired and external side job workers accepted	This indicator reflects the hiring status of highly specialized personnel within our human resource portfolio.	Number of highly specialized talent hires: 26 Number of external side job workers accepted: 12
Basic education for DX literacy: Course completion rate (Target: 27,500 individuals)	This indicator measures the improvement in understanding DX among DNP Group employees.	Total individuals who completed the course: 25,473 (FY2024 results)

Promotion of global human resource strategy

The DNP Group conducts various businesses in 34 cities around the globe (excluding Japan). Currently, approximately 9.6% of employees are based outside Japan, and overseas sales account for 24.2% of total revenue, with business operations overseas steadily growing each year. Up to this point, target customers and markets have been developed independently based on individual business strategies in many cases. Consequently, local subsidiaries and business divisions in different countries have had to implement their own human resource measures, resulting in a fragmented landscape of know-how and information. To transform this situation and support the growth of overseas businesses that drive the Group’s growth, we established a dedicated department within the Personnel & Employee Relations Division at headquarters to consolidate know-how and information from various countries and regions and to support the promotion of global personnel and labor initiatives.

Strategies and measures

Global human resource strategies and key initiatives

We have established the following three pillars, key initiatives, and KPIs (Key Performance Indicators) to address personnel and labor challenges in our global business operations, and are implementing them while managing progress.

1. Visualization and management of talent to create a situation where the right people are available when needed

  - Visualization of human capital information of overseas local subsidiaries
  - Identification of key positions, successor plans, and key talent to achieve business strategies
2. Development of human resource management infrastructure to create attractive and market-competitive conditions

  - Development of infrastructure to disclose information and international standards through the establishment of HR data governance
  - Development of global talent management infrastructure through the establishment of competitive mobility policies (regulations for global transfers and placement)
3. Strengthening of risk management capabilities and system development to create a situation that supports business development by establishing roles and functions and acquiring expertise

  - Establishment of the roles and structures of global human resource functions to enable the promotion of measures
  - Formation of a global HR network to promote globally-unified strategies
  - Enhancement of external market competitiveness assessment and risk management capabilities to measure the superiority and risks of measures and systems

Progress

DNP drafted these strategies and policies in 2023, and we are executing our plan over the course of three years, with the first year as the current-state assessment phase, the second year as the policy planning phase to build the foundation for the future, and the third year as the implementation phase. By the second year, we have communicated our strategy and key initiatives to overseas subsidiaries, and have researched and visualized human capital data such as turnover rates,

ratio of managers, years of service, and annual income at each company. We are looking into whether these results are significantly inferior compared to other companies or local market conditions, and whether there are any associated risks. We are also identifying important positions necessary for advancing the business plans of each local subsidiary and confirming their succession plans, beginning efforts to identify key talent responsible for each company’s future.

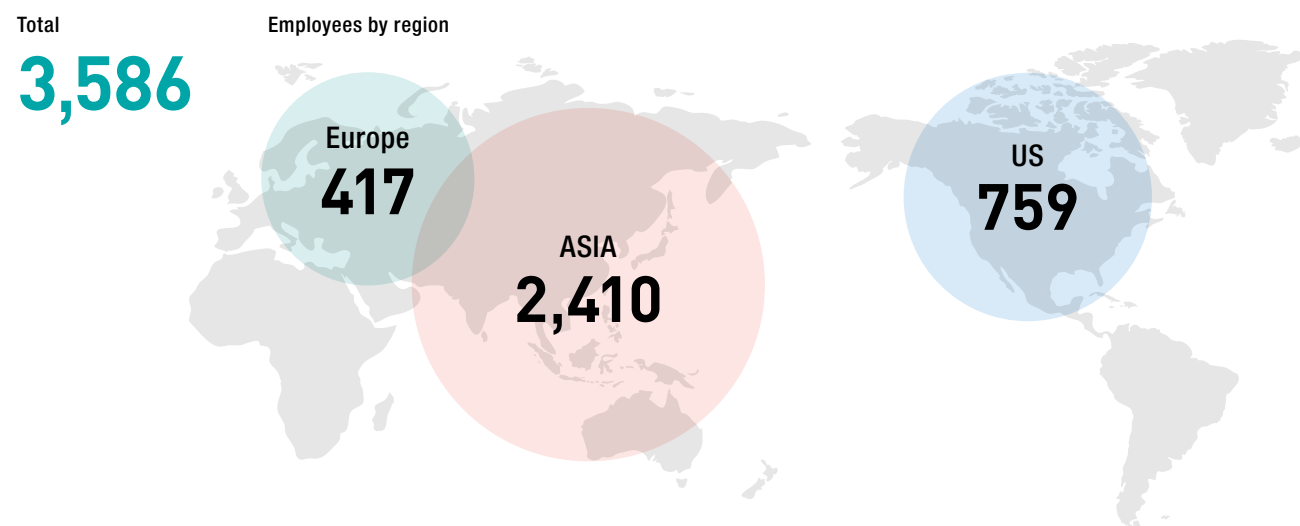


## Strengthening of Human Capital

## Indicators

Indicator	Description	Value
Ratio of female managers in overseas subsidiaries	Indicator showing the organization's gender diversity and the progress in promoting women	27%
Number of key positions in overseas subsidiaries	Value indicating the number of positions directly related to executing business strategies and maintaining competitive advantage	96 positions

## Our workforce at a glance for overseas group companies



## Length of service for overseas group company employees (As of January 1, 2025)



## Promotion of D&amp;I utilizing diverse individuality

We are working to promote diversity and inclusion (D&I) based on the belief that leveraging diverse individuals will significantly enhance human creativity. To achieve this, we have set a mid-term vision of creating a state where inclusion becomes second nature, and are working to utilize the diverse individuality of each employee, combine their strengths, solve social issues, and create new value. However, while awareness and understanding of D&I among employees are progressing, there are challenges, such as a lack of tangible connection to their workplace experience or a direct link to performance. To address these challenges, we are further evolving our initiatives so that they lead to employee behavior change and a real sense of transformation.

## Strategies and measures

## Initiatives against unconscious bias

To utilize differing opinions and ideas, the DNP Group launched unconscious bias training for all employees in fiscal 2023 to foster a workplace culture that is psychologically safe. Training began with upper management, who have significant influence in the workplace, and has progressed

by level, with all employees being given the opportunity to take training by the end of fiscal 2024. In fiscal 2025, we will implement a new program with the goal of raising awareness at the organizational level as the next step.

## Initiatives aimed at achieving 30% female executive ratio

To ensure sustainable growth, we are committed to enhancing diversity in decision-making. As part of this effort, all officers will take responsibility for directly engaging with the current situation and challenges, and we will also work on fostering a more diverse organizational culture. In addition, we are focusing on establishing a robust pipeline (see diagram on the right) to continuously increase the proportion of women in decision-making roles.

## Initiatives to encourage male employees to take childcare leave (support for work-life balance)

In March 2025, DNP was selected under the “Next Nadeshiko: Companies Supporting Dual Careers and Co-parenting” (Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange) scheme for the second consecutive year. Currently, the male childcare leave uptake rate is nearly 100%, yet through our internal research, we discovered that a large number of these employees said they felt their leave was a burden on their workplace. We implemented e-learning in fiscal 2024 for all employees with the goal of increasing the number of days taken by men for childcare leave and fostering a culture that supports this leave. This year, for the number of days taken for male childcare leave, we set a target of more than 40 days (excluding holidays), a number well above the current average. We are working to foster a workplace culture that allows everyone to thrive through diverse working styles.

## Initiatives to promote employee behavior change #1

## Internal event: Diversity Week

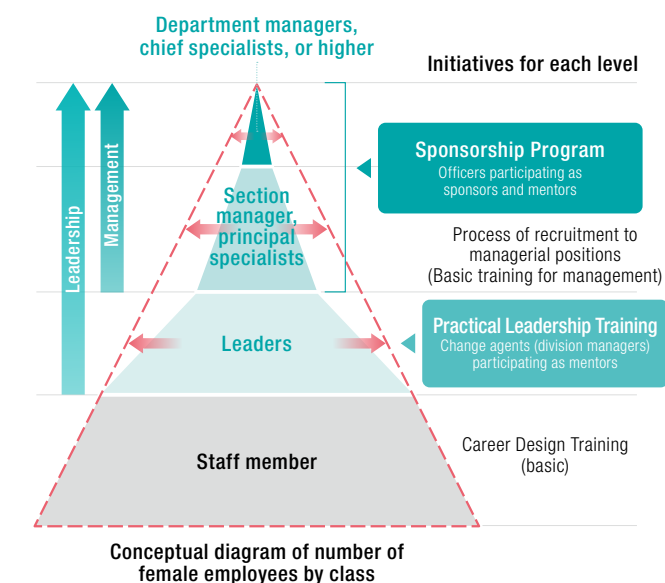
This event is held once a year with the goal of behavior change, with each employee participating on their own. Fiscal 2024 marked the fifth time this event was held, and to promote behavioral change among employees at each workplace, we introduced the “Let’s turn the Inclusion Loop around!” theme, holding a variety of programs that led to results. For example, we distributed explanatory cards for the Inclusion Loop to every employee to promote understanding and empathy. For the opening program, around 13,000 employees participated, which is roughly 1/3 of all employees. With the survey at the end of the week, around 90% of respondents said their understanding of the Inclusion Loop had improved, and around 70% responded that their behavior had changed thanks to Diversity Week. This has led to our goal becoming a reality.

## Indicator

Indicator	Description	Value *Target values in parenthesis
Ratio of female managers	Indicator assessing the formation of a pipeline for promoting women	Positions equivalent to department manager and above <b>1.5 times</b> (1.5 times*) Section managers and equivalents <b>13.7%</b> (15.0%*) Leaders <b>24.6%</b> (25.0%*)
Percentage of male employees taking childcare leave and days taken	Indicator related to creating a workplace culture that utilizes diverse individuality	Uptake rate <b>96.4%</b> (100% *) Average days taken <b>27.6 days</b> (40 days (excluding holidays)*)
Unconscious bias training completion rate	Indicator measuring the achievement toward a state where inclusion has become second nature	Completion rates <b>75.1%</b> *of target employees for DNP Group training in Japan

\*1 End of FY2025, \*2 End of FY2029

## Creating pipelines to enhance diversity in decision-making at DNP



## Illustration of the Inclusion Loop



## Initiatives to promote employee behavior change #2

## Neurodiversity

We offered e-learning and seminars to deepen employee understanding of neurodiversity as a new initiative in fiscal 2024. We will develop an organizational culture that is resilient to change and enables the easy creation of new value by having each DNP employee understand the differences in individual brains and neurology and work together with others with diverse characteristics.

# Strengthening Intellectual Capital

Enhancing the strengths of  
our P&I business by incorporating  
cutting-edge technologies and  
deepening collaboration with  
diverse partners to create  
new business opportunities

Toru Miyake, Senior Managing Director

DNP not only responds to rapid changes and risks in the environmental, social, and economic landscape, but also drives long-term transformation to create a “better future” through its business activities. By leveraging DNP’s unique strengths in Printing & Information (P&I) and deepening collaboration with diverse partners, we enhance our intellectual capital and increase corporate value. To support this, we continue broad-ranging research and development

activities, which serve as the driving force behind new products, services, proprietary technologies, and the creation of new businesses.

DNP aims to envision a “better future” and, based on this vision, strengthen its proprietary technologies while developing and delivering new products and services to realize its “future scenarios.” In its FY2023-2025 Medium-term Management Plan, DNP is promoting four key themes: “creation of new businesses and enhancement of technological strengths,” the “global rollout of technological strengths,” the “strengthening of stable businesses and cultural reform” and the “sophistication of DX infrastructure.” To support these initiatives, the company continues to make proactive annual investments exceeding 30 billion yen in technology and research and development.

First, under the theme of “creation of new businesses and enhancement of technological strengths,” DNP continually hones its unique P&I capabilities while developing new technologies and know-how to generate a diverse range of products and services. Examples include leveraging generative AI, incorporating Materials Informatics (MI) in materials development, and creating innovative production systems. By integrating these advanced forms of intellectual capital, DNP aims to strengthen sustainable competitiveness and create new markets. These initiatives are further accelerated through open innovation, which brings in external expertise and technologies.

\*MI: A materials development method utilizing AI and other information sciences

Under the theme of “global rollout of technological strengths,” DNP focuses on developing products and services that address global social challenges, including reducing environmental impact and enhancing well-being. At the same time, we are strengthening our marketing and R&D capabilities for overseas markets. Collaboration with domestic and international partners with complementary strengths also plays a key role in supporting this global expansion.

For the theme of “strengthening of stable businesses and cultural reform,” DNP promotes cross-organizational technology integration through internal events, including the “Mirai-Zukuri Meetings - Inspiring New Ideas for DNP’s Next Vision,” where all employees share seeds of technology and ideas. These initiatives foster a corporate culture of value creation across the entire company, embracing an All-DNP spirit.

Furthermore, under the theme of “sophistication of DX infrastructure,” DNP is promoting the innovation of its R&D processes by leveraging multimodal AI and advanced AI models that emulate logical thinking, exploring new materials, and automating patent searches and applications in product and service development.

DNP takes a strategic and integrated approach, with its business, R&D, and intellectual property divisions working together from technology development to commercialization and the acquisition of intellectual property. We continuously embrace transformation, enhancing the synergies of an All-DNP approach and striving to realize a “better future” through the creation of new value.

## The link between strengthening intellectual capital and enhancing corporate value

### Basic strategy for strengthening intellectual capital

#### Creation of new businesses and enhancement of technological strengths

Build business portfolio from future scenarios

▶ P68

#### Global rollout of technological strengths

Refinement and acceleration of global rollout of DNP’s unique technology, products, and services

▶ P69

#### Strengthening of stable businesses and cultural reform

Creation of new value through All-DNP spirit

#### Sophistication of DX infrastructure

Achievement of data driven management and reinforcement of the infrastructure for it

▶ P26

### Specific measures

Creation of new businesses in focus business areas capturing megatrends and business opportunities

Strengthening of DNP’s unique technology

Acquisition and strengthening of technology through open innovation

Acceleration of global expansion centered on Electronics and Life & Healthcare

Strengthening of stable businesses and development of new products through aggregation of knowledge across All DNP

Optimization of R&D mechanisms and systems

Fostering culture creating new value

Advance modernization and globalization to strengthen digital ICT infrastructure

Advance visualization and deeper analysis of data management infrastructure, and continuously update infrastructure

Research into the needs of customers

Research on and analysis of market trends

Patent strategy

Cooperation with academia

Encouragement of open innovation

Strengthening of overseas R&D systems

Value creation activities through cooperation between business divisions

Utilization of in-house events such as the introduction of new technologies

Setting of clear R&D goals

Construction of short-, medium- and long-term R&D systems

Effective utilization of R&D funding

Development of a culture of taking on challenges

Promotion of diversity and inclusion

Expansion of the use of data management infrastructure  
Democratization of data and deepening and expansion of data utilization

Securing and development of ICT and DX talent

Encouragement of citizen development

### Direct effects

Identification of market needs  
Identification of important issues  
Moving ahead of competitors in terms of patent applications  
Advancement of alliance agreements and license acquisitions  
Reinforcing of cooperation with and investment in outside companies and startups

Increase in the number of overseas partners

Increase in the number of new cross-functional themes  
Identification of priority themes  
Enhancement of the efficiency of our R&D activities  
Increase in the number of people with go-getter attitudes

Improvement of the accuracy of data analysis and discussion

Streamlining of work and acceleration of decision making

Creation of new R&D themes  
Improvement of DNP’s unique technological strengths

Rolling out of existing technologies

### Indirect changes and impact within and outside the company

Earning of the trust of business partners and clients  
Establishment of barriers to entry for competitors  
Cooperation with strong partners and gaining new partners

Enhancement of our strengths as a global corporate brand

Early entry into existing markets and development new markets  
Securing of a competitive edge

Enhancement of customer satisfaction and increase of retention rate

### Enhancement of financial and corporate value

Expansion of existing business

Greater profitability

Increase of our strength in P&I and cooperation with partners

Creation of value for society through new business innovation

Growing sales



Strengthening Intellectual Capital

Basic policies and structures for technologies and R&D

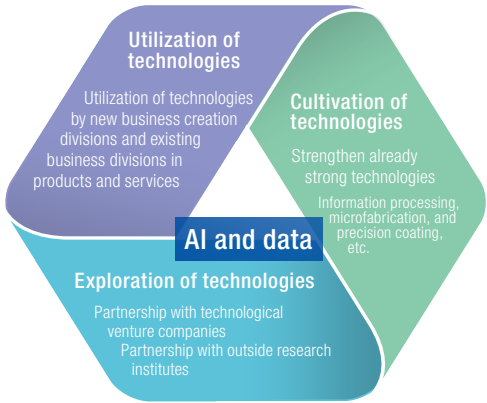
Basic policy

DNP will continue to evolve and deepen its core technological strength in P&I. At the same time, we will accelerate development by strengthening collaboration with a diverse range of partners, including ventures, startups, universities, and research institutions, in the pursuit of new technologies. Also, we will combine our internal and external technological strengths to solve various problems and create new value that excites people.

Promotion structure

DNP’s technology and R&D divisions are developing and commercializing proprietary technologies to solve diverse issues in a wide range of business fields, with a focus on the three segments of Smart Communication, Life & Healthcare, and Electronics. We are building and operating robust structures that create new value in existing and new businesses by promoting the combination of various internal technologies and collaboration with external partners.

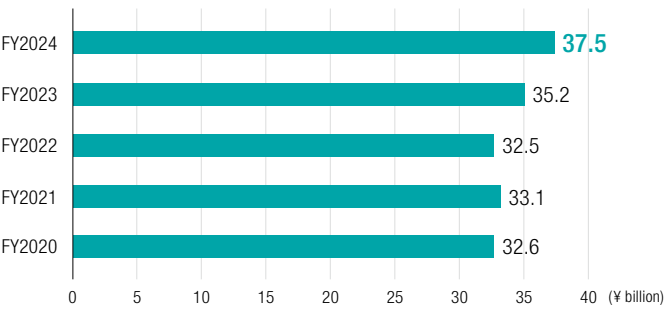
		Controlled by Head Office			
Sales division/field	Business unit (Development headquarters)	Head office research and development framework	Super- vision		
Smart Communication	Publishing Innovation	Technology Development Center Research and Business Development Center Advanced Business Center	R&D and Engineering Management Division		
	Information Innovation				
	Imaging Communication				
Life & Healthcare	Life Design (Packaging)				
	Living Space				
	Mobility				
	High-performance Materials				
Electronics	Fine Device				
	Optical Electronics				
New business fields					
	Short-term development				
	Medium- and long-term development				



Metric and targets

Technology and R&D Expenditures (per year)

DNP continues to make proactive and sustained annual investments exceeding 30 billion yen in technology and R&D. To address increasingly diverse and complex challenges and actively create a “better future,” the company maintains a broad range of research and development activities while strengthening the resources of its development divisions. For the fiscal year ended March 31, 2025, technology and R&D investments amounted to 37.5 billion yen.



Creation of new businesses and enhancement of technological strengths

DNP is promoting concentrated investments in focus business areas and implementing business structure reforms to create new businesses that capture megatrends and emerging opportunities. At the same time, we are strengthening our proprietary technologies and acquiring new technologies through collaboration with partners who possess strengths complementary to our own. Through these efforts, we are pursuing a strategy to achieve No. 1 positions across various businesses.

Initiatives

Efforts in the semiconductor field

DNP is developing photomasks for logic semiconductors for the 2-nm (nm: 10<sup>-9</sup> meter) generation and beyond\*, compatible with Extreme Ultra-Violet (EUV) lithography used in cutting-edge semiconductor manufacturing processes. In collaboration with imec, a leading international research organization headquartered in Belgium, we are also advancing photomask manufacturing technologies with an eye toward the 1-nm generation. By accelerating development through partnerships with a diverse range of domestic and international collaborators, DNP contributes to the growth of the global semiconductor industry.

\* Compliant with International Roadmap for Devices and Systems (IRDS) standards

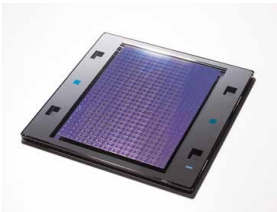
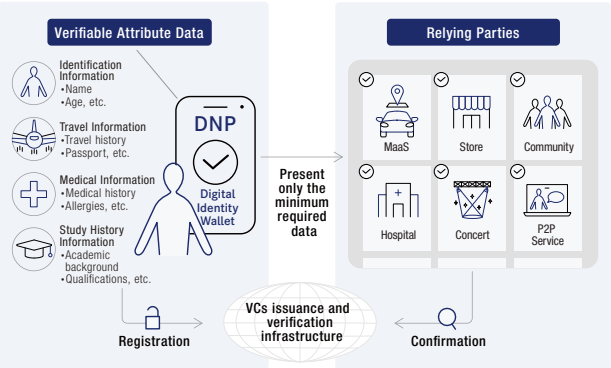


Image of photomask for beyond 2nm generation EUV lithography

Efforts in authentication and security

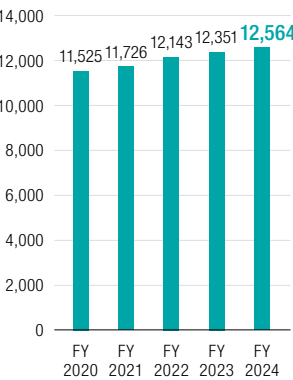
Leveraging its strengths in authentication and security technologies cultivated through its smart card business, DNP has developed a management platform for Verifiable Credentials (VC) compatible with the next-generation decentralized Internet. This platform allows individuals to manage their own digital identities—including qualifications, educational and professional history—and present them to third parties as needed. With applications envisioned in the financial, travel, and education sectors, DNP is promoting global market development and technology verification, contributing to the realization of a privacy-conscious and highly reliable society.



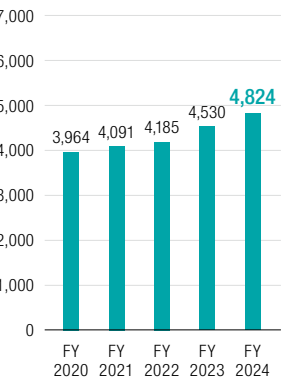
Strategic acquisition of intellectual property

Intellectual property (IP) is one of the essential assets for our business. For products and services with global top market share, IP—including strategically acquired and developed patent portfolios covering core and peripheral technologies—makes a significant contribution to business success. One key focus is integrating IP strategy from the very stage of business strategy planning. Specifically, the business, R&D, and IP divisions work together to build business models that leverage intellectual property to generate long-term value. Aligned with these business models, we formulate IP strategies and acquire intellectual property, thereby establishing a competitive advantage in DNP’s unique value creation.

Number of Japanese patents held



Number of overseas patents held



Global rollout of technological strengths

DNP is working to strengthen its global business foundation by combining the strengths of All DNP and promoting collaboration with external partners. In line with the globalization of R&D, we will open DNP’s first overseas R&D center in the Netherlands. By establishing second and third overseas sites in the future, we aim to create new value on a global scale.

Initiatives

Strengthening of overseas R&D systems

DNP will open a new R&D center in Eindhoven, the Netherlands, in September 2025. At this site, we will advance R&D in photonics-electronics convergence, a technology attracting attention as a key next-generation semiconductor innovation. Europe, where advanced R&D is thriving, is

regarded as an ideal region for encountering numerous collaborative partners to drive the development of next-generation technologies.

\* Photonics-electronics convergence: A technology that integrates optical and electrical transmission techniques to significantly enhance conventional technologies in fields such as information processing, data communication, and energy conversion.



Aerial view of HTCE  
©High Tech Campus  
Eindhoven



Image of the  
inside of the PITC  
research facility  
©Eindhoven University  
of Technology/PITC

# Initiatives for Environment



DNP is committed to harmonizing its business activities with the global environment. *Environmental conservation and pursuit of a sustainable society* are incorporated into our Code of Conduct, and we recognize addressing environmental issues—including climate change—as a key management priority. With strong requirements to reduce the negative impacts on the global environment, in recent years in particular, we have been promoting initiatives with a focus on the environment throughout all of our business activities.

The DNP Group Environmental Vision 2050, which we formulated in March 2020, sets out our commitment to the realization of a decarbonized society, a recycling-oriented society and a society in harmony with nature, and we are accelerating initiatives based on our materiality.

In April 2025, we established a new target, reducing Scope 3 GHG emissions by 27.5% compared to the fiscal 2019 level by the end of fiscal 2030,\* in addition to our existing Scope 1 and 2 reduction targets. Since 2024, we have enhanced our disclosure of nature-related information in accordance with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), thereby supplementing our climate-related reporting. Going forward, we will continue to utilize frameworks such as the TNFD's LEAP (Locate, Evaluate, Assess, and Prepare) approach to further improve the quality and quantity of the value-chain related information that we disclose.

We will also continue to set appropriate metrics and targets, monitor results and progress on an ongoing basis, and enhance the effectiveness of our initiatives to increase corporate value and strengthen engagement with all stakeholders.

\* The scope of the Scope 3 reduction target includes Category 1 (purchased goods and services), Category 3 (fuel- and energy-related activities not included in Scope 1 or Scope 2), Category 4 (upstream transportation and distribution) and Category 5 (waste generated in operations).

## Disclosure based on TNFD general requirements

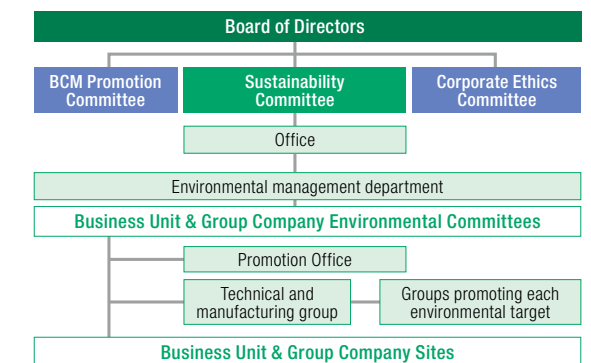
<b>Application of materiality</b>	Based on the financial impact of nature-related issues and considering the impacts of our business activities on nature
<b>Scope of disclosed information</b>	Direct operations and related value chains across three business segments: Smart Communication, Life & Healthcare and Electronics
<b>Location of nature-related issues</b>	Dependencies and impacts have been assessed at our direct manufacturing sites, with four facilities in Southeast Asia designated as priority regions. <a href="#">▶ P72</a>
<b>Integration with other sustainability-related disclosures</b>	DNP has disclosed information about climate change since 2020 in accordance with the TCFD recommendations. It is recognized as a key driver of nature-related change. We have expanded our disclosure of information in line with the TNFD recommendations, taking into account the synergies and trade-offs between nature related issues. Information about business activities based on materiality identified due to variable factors, including environmental, social and economic issues <a href="#">▶ P20-23</a> , have been disclosed via the DNP Sustainability Website. <a href="https://www.global.dnp/sustainability/">Website Sustainability</a> <a href="https://www.global.dnp/sustainability/">https://www.global.dnp/sustainability/</a>
<b>Time horizons considered</b>	Our time horizons are aligned with the following strategies: • Short term (0-5 years): DNP Group Medium-term Management Plan • Medium term (5-15 years): DNP Group Environmental Medium-term Targets • Long term (15 years or more): DNP Group Environmental Vision 2050
<b>Engagement with indigenous peoples, local communities and affected stakeholders in the identification and assessment of the organisation's nature-related issues</b>	Climate change, biodiversity loss and other nature-related challenges can cause serious human rights issues, resulting in significant damage to the economy and society. Recognizing that our business activities may affect the human rights of all stakeholders, we are implementing a range of measures, including proactive stakeholder engagement, to prevent and mitigate negative impacts of our business activities. <a href="#">▶ P76-79</a>

## Governance

DNP regards addressing environmental issues as one of its key management challenges. To enhance environmental, social and economic sustainability and further drive sustainable corporate growth, the Sustainability Committee manages medium- to long-term risks, identifies business opportunities and incorporates them into management strategies. By coordinating with the BCM Promotion Committee, which ensures business continuity in the event of a natural disaster or other emergency, and the Corporate Ethics Committee, which aims to raise employees' compliance awareness and reduce risks, the Sustainability Committee has established a more flexible and robust governance system that covers company-wide risks.

The Sustainability Committee convenes at least four times annually, reporting and making recommendations to the Board of Directors. The Board of Directors reviews and supervises policies, action plans and other measures related to sustainability risks and opportunities, based on the Committee's reports and resolutions. Strategies and policies

on environmental issues determined by the Committee are implemented by the DNP Group as a whole, in coordination with the Business Unit & Group Company Environmental Committees.



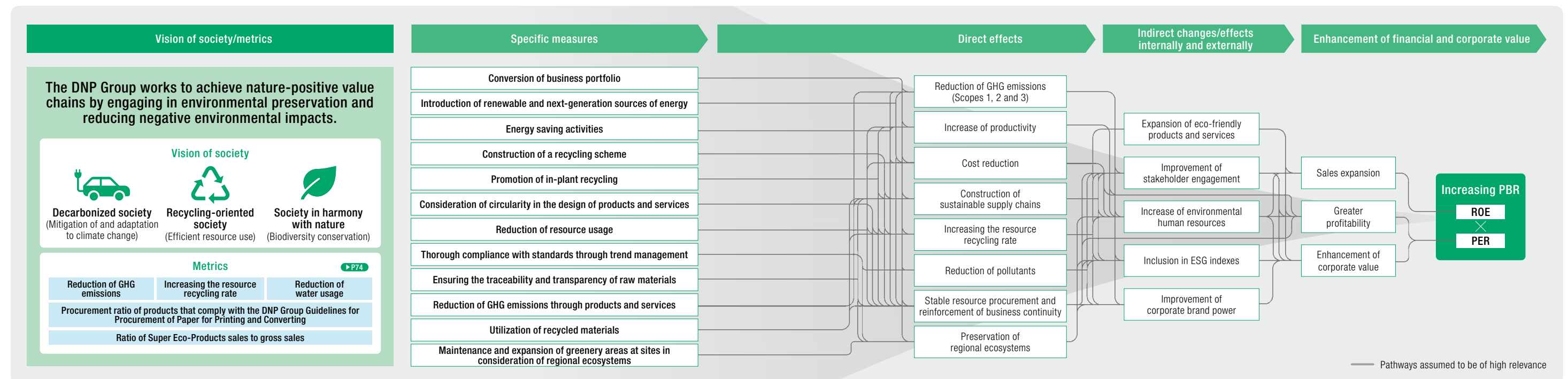
## Risk and impact management

DNP engages in integrated risk management to minimize the negative impacts of variable factors and expand business opportunities.

Environmental, social and economic risks and opportunities are identified, evaluated and managed by the Sustainability Committee at least once a year. We prioritize activities and set targets based on factors such as impact on business plans and financial impact, stakeholder concerns, impacts

on the environment and society and likelihood of occurrence, and reflect them in our management strategies. Business strategies and plans are made to reflect particularly significant or high-priority risks after discussions by the Management Committee and the risks are addressed under the leadership of the designated management departments. For opportunities, the DNP Group designates focus businesses and links them to strategic business development.

## The link between environmental initiatives and enhancing corporate value





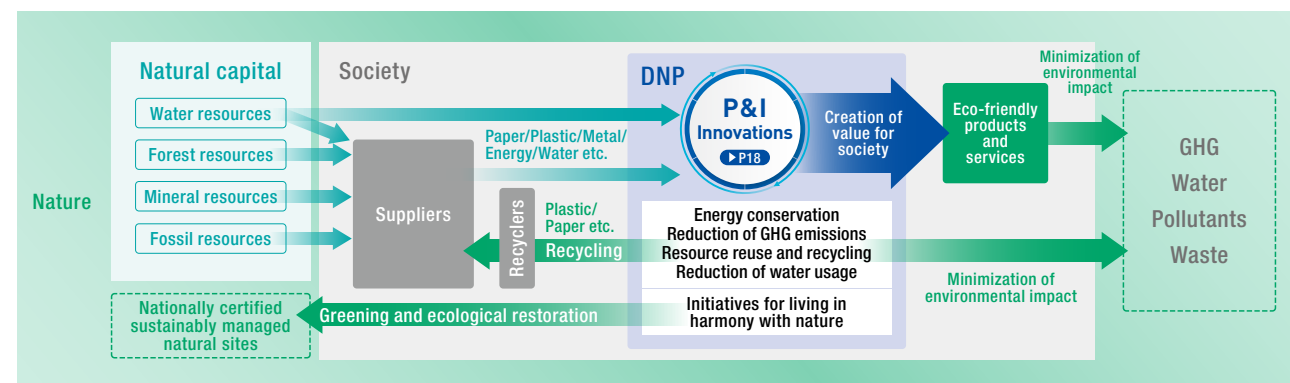
## Initiatives for Environment

## Strategy

In its business activities, DNP relies on a wide range of ecosystem services and impacts natural systems. We have organized these dependencies and impacts within the context of *DNP and Nature*, identifying where in the value chain they

occur and how they affect the natural environment. We will continue to broaden and deepen our data collection and related initiatives.

 **DNP and Nature**



## Dependencies and impacts

DNP depends on ecosystem provisioning services for the raw and auxiliary materials used in its businesses. For example, DNP is dependent on forest resources for paper for magazines and books, and lithium-ion battery pouches and optical films use mineral and fossil resources. We also rely on water resources, both directly in manufacturing processes and indirectly in papermaking. In addition, production sites located near rivers depend on ecosystem regulation and maintenance services. Four of DNP's manufacturing sites near rivers are located in high water-risk areas and have been identified as priorities. Our manufacturing processes also emit gases into the atmosphere (GHGs, NO<sub>x</sub>, SO<sub>x</sub>, VOCs, etc.), discharge waste into bodies of water (wastewater, nitrogen, phosphorus, etc.) and unnecessary objects including plastics, all of which are regarded as causes that negatively impact the environment.

Four manufacturing sites in high water-risk areas



## Scenario analyses

To identify environmental risks and formulate strategies and countermeasures, DNP conducted scenario analyses. These analyses enabled us to identify specific potential impacts on our business, which we categorized as environmental risks and opportunities. Considering our business plans, we evaluate the impact of these risks and opportunities on stakeholders and our business operations in terms of the level of effects, period of effects and likelihood of occurrence.

We will continue to develop our scenario analyses by using published analysis tools, information from research institutions and the TNFD's guidance, thereby strengthening the medium- to long-term resilience of our business activities.

### Reference scenarios used in our scenario analysis

Type	Referenced published scenarios
① 1.5°C Scenario	<b>Net Zero Emissions by 2050 Scenario (NZE)</b> The NZE 2050 Scenario is one of the climate change scenarios published by the International Energy Agency (IEA). In order to create a decarbonized society and ensure energy security, it envisions the strengthening of ambitious and coordinated policies, the introduction of low-carbon technologies, and the creation of markets. It is a scenario in which carbon neutrality is achieved by 2050, and the average temperature increase is limited to 1.5 °C.
② 4°C Scenario	<b>SSP5-8.5 Scenario</b> The SSP5-8.5 Scenario is one of the climate change scenarios presented by the Intergovernmental Panel on Climate Change (IPCC) in its Sixth Assessment Report. It is a scenario in which GHG emissions increase significantly due to fossil fuel-dependent social development, with the average temperature increasing by over 4°C by 2100, which will have a significant impact on ecosystems and human activities.
③ Scenario 1* 1	<b>#1 Ahead of the game</b> A scenario in which nature loss remains moderate to low, ecosystem services continue to be available, and stakeholder demands are aligned with regulatory, legal and policy frameworks.
④ Scenario 3* 3	<b>#3 Sand in the gears</b> A scenario where the severe degradation of natural conditions significantly reduces dependent ecosystem services, necessitating responses to production disruptions and increased costs. Additionally, stakeholder demands and regulatory, legal, and policy frameworks fail to align, creating an unstable situation with high decision-making risks.

\* Utilizing the scenarios proposed in the TNFD recommendations

## Risks and opportunities

## Physical risks

We recognize that the increasingly frequent and severe damage due to torrential rains, forest fires and other natural disasters and the degradation of ecosystem provisioning services may cause the suspension of operations or the realization of supply chain risks. We conduct region-level assessments of the water risks faced by our domestic and overseas manufacturing sites using published tools such as Aqualudex provided by the World Resources Institute (WRI) to identify priority regions.

To respond to these risks, we are investing in disaster preparedness infrastructure, such as emergency power systems and water control barriers. We have also been working to further enhance our supply chain management by building production systems at multiple plants and diversifying suppliers.

## Transition risks

As policies addressing environmental challenges become stricter, it is expected that new measures will become necessary, including mandatory environmental due diligence and the regulation of plastics, in addition to decarbonization-related regulations. This shift will increase stakeholders' awareness of the environment, and companies that fail to respond adequately

risk exiting the market or suffering reputational damage.

To address transition risks, DNP is transforming its business portfolio to reduce its negative environmental impacts and increase added value. In addition, DNP is focusing on managing environmental risks using self-imposed criteria that are stricter than laws and regulations, promoting the recycling of plastics with a low recycling rate and strengthening its supplier engagement based on the DNP Group Sustainable Procurement Guidelines.

## Opportunities

DNP believes that society and the economy are increasingly oriented toward integrated actions to realize nature positivity, and this will increase the demand for eco-friendly products and services. This is a significant business opportunity for the Company.

Guided by its Medium-term Management Plan, DNP is planning to invest 260 billion yen over the five years through fiscal 2027, focusing on priority business areas including eco-friendly products and services, such as battery pouches for lithium-ion batteries. Our goal is to positively impact the natural environment while creating a virtuous cycle of new earnings growth and enhanced corporate value.

## Key environmental risks and opportunities

Scenario drivers			Expected impact on business	Time horizon	Level of effects	Likelihood	Initiatives	Scenarios				Dependencies		Impacts			
								①	②	③	④	Provisioning Adjustment and maintenance	Cultural	Climate change	Use change	Resource use	Pollution
Physical risks	Increase in the number of natural disasters	Damage to social infrastructure	<ul style="list-style-type: none"><li>Decreased profit due to delayed or suspended manufacturing</li><li>Increased cost of disaster control measures</li><li>Increased cost of purchasing raw materials and interruption of supply</li></ul>	Short term	Medium	High	<ul style="list-style-type: none"><li>Strengthening BCP/BCM measures</li><li>Strengthening supplier engagement ▶ <b>P76-79</b></li></ul>		●		●	●			●	●	●
	Degradation of ecosystem provisioning services	Increasing water stress	<ul style="list-style-type: none"><li>Decreased profit due to delayed manufacturing</li></ul>	Medium to Long term	Medium	Low	<ul style="list-style-type: none"><li>Optimizing water usage and expanding water recycling in manufacturing processes</li></ul>		●		●	●			●	●	●
		Decrease in the supply of raw materials	<ul style="list-style-type: none"><li>Decreased profit due to delayed manufacturing and shipping</li><li>Increased cost of purchasing raw materials and interruption of supply</li></ul>	Medium to Long term	Medium	Low	<ul style="list-style-type: none"><li>Strengthening supplier engagement ▶ <b>P76-79</b></li><li>Building diversified supply chains</li></ul>		●		●	●			●	●	●
Transition risks	Transition to nature positive	Policies and regulations for decarbonization	<ul style="list-style-type: none"><li>Increased cost of climate change mitigation *Introduction of an emissions trading system for major emitters (2026)</li></ul>	Short to Medium term	Medium - High	High	<ul style="list-style-type: none"><li>Promotion of energy-saving activities, replacement with high-efficiency equipment</li><li>Proactive introduction of renewable energy</li><li>Purchase of Non-Fossil Certificates</li><li>Participation in the GX League and utilization of an emissions trading system ▶ Internal carbon pricing: 20,000 yen/t-CO<sub>2</sub>e ▶ Carbon taxes in 2030: 7.6–12.0 billion yen</li></ul>		●		●	-	-	●			
			<ul style="list-style-type: none"><li>Addressing residual emissions</li></ul>	Long term	Medium	Low	<ul style="list-style-type: none"><li>Introduction of next-generation energy sources</li><li>Utilization of CCS and CCUS ▶ Carbon taxes in 2050: 3.2–4.0 billion yen</li></ul>		●		●			●			
		Policies and regulations for resource recycling	<ul style="list-style-type: none"><li>Increased cost of complying with laws and regulations</li><li>Increased cost due to higher prices of recycled materials</li><li>Design review of existing products</li></ul>	Short to Medium term	Medium	High	<ul style="list-style-type: none"><li>Ensuring the traceability of raw materials</li><li>Promotion of recycling and development of compatible products</li><li>Establishing chemical recycling technologies and schemes for plastics by collaborating with corporations</li></ul>		●		●		●	●	●	●	●
		Disclosure requirements regarding value chains	<ul style="list-style-type: none"><li>Disclosure of information from environmental due diligence</li><li>Stricter supply chain management *Application of Carbon Footprint of Products (CFP) disclosure requirements under the Battery Regulation (2024)</li><li>*Application of disclosure requirements under sustainability reporting standards (TBD)</li></ul>	Short to Medium term	Medium	Medium	<ul style="list-style-type: none"><li>Strengthening supplier engagement ▶ <b>P76-79</b></li><li>Ensuring and evaluating the traceability of raw materials</li><li>Strengthening environmental management systems</li><li>Disclosing information in a timely and appropriate manner in line with various standards</li></ul>				●	●				●	
Opportunities	Market changes	Expansion of the markets for green transformation (GX) products and services	<ul style="list-style-type: none"><li>Increased demand for eco-friendly products and services</li><li>Acceleration of technological innovation for nature positive</li></ul>	Medium term	Long term	High	High	<ul style="list-style-type: none"><li>Proactive rollout of eco-friendly products and services</li><li>Promotion of development based on the guidelines for developing eco-friendly products and services</li><li>Creation of new business models ▶ Sales of Super Eco-Products in FY2024: 218.9 billion yen</li></ul>		●	●	●		●	●	●	●
		Growth of impact finance	<ul style="list-style-type: none"><li>Expansion of opportunities for low-cost financing</li></ul>	Medium to Long term	Long term	High	Medium	<ul style="list-style-type: none"><li>Establishment of the printing industry’s first Sustainability-Linked Finance Framework ▶ Funding through the issuance of sustainability-linked bonds: 60.0 billion yen (May 2025)</li></ul>		●		●		●	●	●	●
	Greater importance of non-financial information	Standardization of disclosure standards	<ul style="list-style-type: none"><li>Enhanced corporate image and investor evaluation *Application of disclosure requirements under sustainability reporting standards (TBD)</li></ul>	Short to Long term	Long term	High	Medium	<ul style="list-style-type: none"><li>Increased information disclosure and improvement of engagement</li><li>Securing advantages and human resources as a company leading the way in sustainability</li></ul>		●		●	-	-	●	●	

[Time horizon] Short term: 0-5 years, medium term: 5-15 years, long term: 15 years or more [Level of effects]: High: approx. 10 billion yen, Medium: 1 to 10 billion yen, Low: less than 1 billion yen  
[Likelihood] Probability of impact: High > medium > low  
The scenarios used to identify risks and opportunities, as well as dependencies and impacts on natural capital that were considered are indicated with a ● mark.

## Initiatives for Environment

## Metrics and targets

To achieve the DNP Group Environmental Vision 2050, we have established five metrics with medium-term targets: reduction of GHG emissions, increasing the resource recycling rate, reduction of water usage, the ratio of Super Eco-Products sales (eco-friendly products and services) to gross sales, and the procurement ratio of products that comply with the DNP

Group Guidelines for Procurement of Paper for Printing and Converting. We are actively implementing initiatives to meet these targets. These initiatives are making steady and good progress, and we will continue to accelerate efforts to protect the environment and reduce our environmental impact.

## Reduction of GHG emissions

Metric	Target	FY2024 result
Reduction of GHG emissions Scope 1 and 2	46.2% reduction from the FY2019 levels by the end of FY2030	18.4% reduction
Reduction of GHG emissions Scope 3 (Categories 1, 3, 4 and 5)	27.5% reduction from the FY2019 levels by the end of FY2030	15.9% reduction

Our goal is to reduce Scope 1 and 2 GHG emissions by 46.2% from the fiscal 2019 levels by the end of fiscal 2030. In April 2025, we established a new Scope 3 GHG emissions target, aiming for a 27.5% reduction from the fiscal 2019 levels by the end of fiscal 2030. Going forward, we will increase our collaboration with suppliers in Japan and overseas and pursue the reduction of GHG emissions throughout the supply chain.

## SBT certification renewal

On April 25, 2025, the DNP Group's GHG emission reduction targets were recertified by the international Science Based Targets initiative (SBTi) as being scientifically aligned with the goal of limiting the increase of global temperatures to 1.5° C.



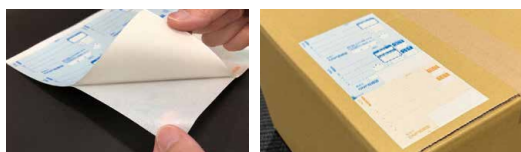
## Ratio of Super Eco-Products sales to gross sales

Metric	Target	FY2024 result
Ratio of Super Eco-Products sales (eco-friendly products and services) to gross sales	Increase to 30% by the end of FY2030	15.0%

Super Eco-Products are excellent eco-friendly products and services as designated by DNP's original certification system. We aim to increase the ratio of Super Eco-Products sales to gross sales to 30% by the end of fiscal 2030. By providing products and services with a low environmental impact throughout their life cycle, we will contribute to the realization of a sustainable society.

## Received the Encouragement Award of the Eco-Pro Awards

Recognized for our reduction of CO<sub>2</sub> emissions and visualization of the amount that emissions have been reduced, our environmentally friendly label slip received an Encouragement Award at the 7th Eco-Pro Awards. We aim to reduce CO<sub>2</sub> emissions by 700 tons or more per year by 2025.



## Increasing the resource recycling rate

Metric	Target	FY2024 result
Increasing the resource recycling rate (the ratio of material and chemical recycling in relation to the amount of unnecessary objects)	Achieve a 70% resource recycling rate for all unnecessary objects by the end of FY2030	63.5%

We aim to increase the resource recycling rate for all unnecessary objects generated by our business activities to 70% by the end of fiscal 2030. In particular, we are focusing on plastics, which have a low recycling rate, by promoting mono-material product design, advancing material recycling through the separation of discarded materials and establishing chemical recycling technologies in collaboration with other companies.

## Capital and business alliance with esa inc.

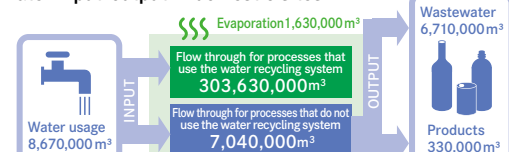
In October 2024, DNP entered into a capital and business alliance agreement with esa inc., a company engaged in environmental businesses focused on the recycling and re-resourcing of plastic waste. Through this collaboration, we will further promote the reduction of CO<sub>2</sub> emissions across the supply chain and the development of products utilizing recycled materials.

## Reduction of water usage

Metric	Target	FY2024 result
Reduction of water usage (Per-unit water usage)	30% reduction from the FY2019 levels by the end of FY2030	7.7% reduction

DNP aims to reduce per-unit water usage by 30% from fiscal 2019 levels by the end of fiscal 2030. To achieve this, we are reducing water usage by optimizing and reviewing manufacturing processes, expanding water recycling and promoting the effective use of water resources, including rainwater.

## Water input-output in domestic sites



Hokkaido Coca-Cola Bottling and DNP Fine Chemicals use water in products.

## Procurement ratio of products that comply with the DNP Group Guidelines for Procurement of Paper for Printing and Converting

Metric	Target	FY2024 result
Procurement ratio of products that comply with the DNP Group Guidelines for Procurement of Paper for Printing and Converting	98% by the end of FY2025 100% by the end of FY2030	99.5%

To realize zero deforestation and maintain sustainable forest resources, we ensure traceability to verify the legitimacy of raw materials in our paper procurement activities in accordance with the DNP Group Guidelines for Procurement of Paper for Printing and Converting recognizing our significant dependencies and impacts on ecosystems.

▶ P79

## Recognized on CDP's A List in two categories

In February 2025, DNP was recognized as an "A-List" company—the highest rating—in two out of three categories (climate change and water security) by CDP, an international non-profit organization based in London that evaluates corporate environmental strategies and initiatives. This is the third consecutive year we have been recognized in the climate change category, and our first time being recognized in the water security category which was created to promote sustainable water management.

We will continue to address environmental issues, including climate change, while proactively disclosing information to help realize a sustainable society and enhance corporate value.



## Certified as a Water Circulation ACTIVE Company under the Water Circulation Company Registration and Certification System

In October 2024, DNP was certified as a Water Circulation ACTIVE Company under the Water Circulation Company Registration and Certification System established by the Cabinet Secretariat's Water Circulation Policy Office in recognition of its proactive water circulation initiatives implemented in its business activities.

We will continue to enhance our efficient use of water and our conservation of aquatic biodiversity through our business activities, contributing to the realization of a society in harmony with nature that is nature positive.



## Formulation of a framework for financing environmental initiatives and issuance of bonds

In October 2024, DNP became the first company in the printing industry to establish a Sustainability-Linked Finance Framework as a means of financing initiatives to address environmental challenges. The framework sets targets for reducing GHG emissions and increasing the resource recycling rate, and DNP obtained a second opinion from Rating and Investment Information, Inc. (R&I), an external reviewer. Based on this framework, in May 2025, DNP raised 60 billion yen by issuing sustainability-linked bonds. Going forward, DNP will leverage sustainability-linked financing to continue to communicate our specific sustainability initiatives and accelerate our environmental efforts.

Metric	Target
Reduction of GHG emissions Scope 1 and 2	<b>46.2% reduction</b> from the FY2019 levels by the end of FY2030
Increasing the resource recycling rate	<b>Achieve a 70%</b> resource recycling rate*1 for all unnecessary objects*2 by the end of FY2030

\*1 Resource recycling rate = Amount of resource recycling ÷ amount of unnecessary objects excluding paper as valuable waste × 100

Amount of resource recycling = Amount of unnecessary objects (excluding paper as valuable waste) that have been recycled by means of material recycling or chemical recycling

Amount of unnecessary objects excluding paper = Amount of unnecessary objects (waste and valuable waste) excluding paper as valuable waste, which is 100% recycled, and the amount of sludge subject to on-site intermediate processing

\*2 Total amount of waste and valuable materials discharged from our own manufacturing sites

## Awarded the Special Prize at the 33rd Global Environment Award for Ichigaya no mori (Ichigaya Forest)

DNP is engaged in urban redevelopment in the Ichigaya district of Shinjuku, Tokyo, as a core base for value creation. As part of these activities, we are growing Ichigaya no mori (Ichigaya Forest) to create a new forest in an urban area. In March 2025, the project was highly regarded for its functions as an urban green space that enhances safety and disaster preparedness, its contributions to the environment and society, and its direct maintenance and management by the company. As a result, it received the Special Prize of the 33rd Global Environment Award organized by the Sankei Shimbun.

In April 2025, we launched a dedicated website to showcase the appeal of Ichigaya no mori and the value creation initiatives centered on the district. The site also broadly communicates DNP's efforts to realize nature positivity and helps expand co-creation with diverse partners.

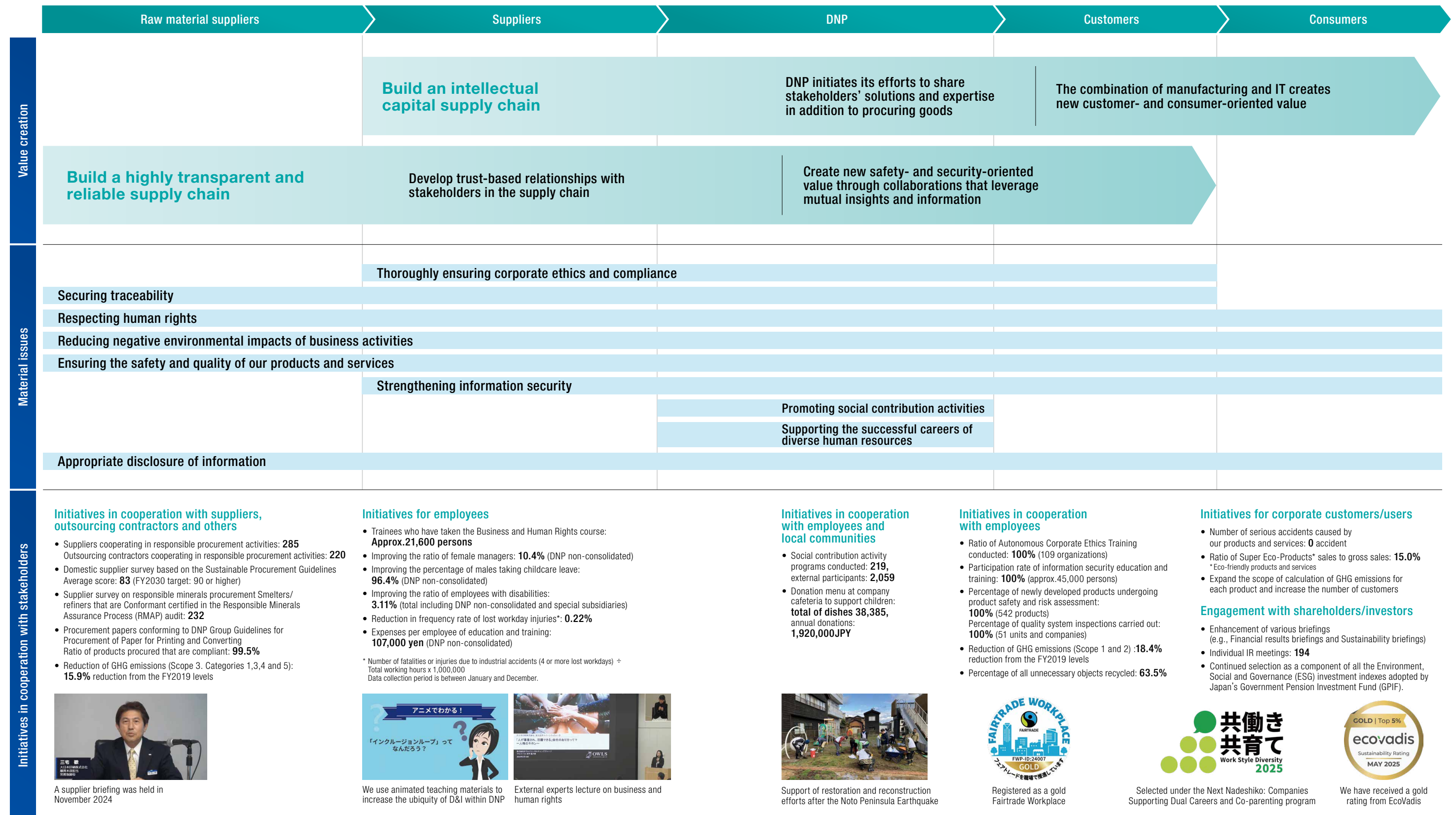




# Creating New Value Throughout the Supply Chain

To sustainably enhance corporate value, it is necessary to create new value throughout the supply chain. Instead of limiting itself to internal efforts, DNP is committed to building a system for creating new value by sharing solutions and expertise with suppliers and leveraging the strengths of all stakeholders.

To support the creation of value, it is necessary to encourage responsible procurement and act with integrity based on compliance with laws and the ethics of society. We analyze the significance of each issue from DNP's perspective based on the DNP Group Code of Conduct and from social perspectives including the perspective of international norms. In this way, we enhance risk management throughout the supply chain.



## Creating New Value Throughout the Supply Chain

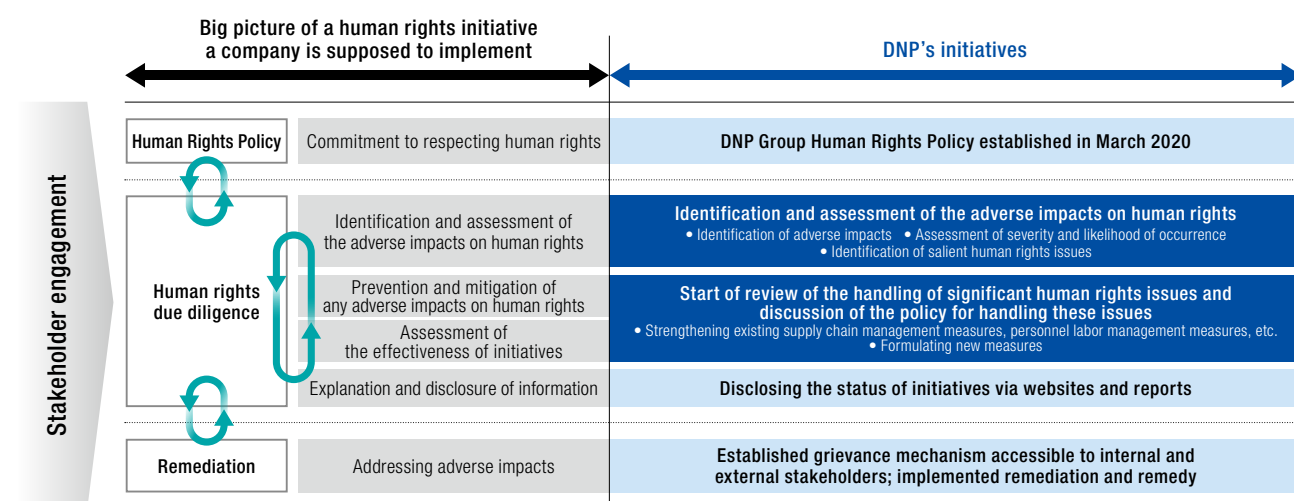
## Initiatives for human rights

DNP endorses human rights-related international standards such as the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights. Of course, respecting human rights is a responsibility that a company must fulfill, and it is also an indispensable part of the foundation for the enhancement of corporate value. Based on this understanding, DNP respects the human rights of all stakeholders that may be impacted by its business activities, and it works to prevent and mitigate any adverse impact it may have.

## Initiatives for human rights due diligence

Respect for human dignity and diversity is a component of the DNP Group Code of Conduct. At DNP, we respect diversity in culture, nationality, creed, race, ethnicity, language, religion, gender, age and ways of thinking of all persons. After deliberation by the Board of Directors, DNP established the DNP Group Human Rights Policy in 2020 based on the UN Guiding Principles on Business and Human Rights. In line with the Policy, the Sustainability Committee leads our human rights due diligence activities, which include the prevention and mitigation of individual human rights risks and the remediation

of issues through a contact point for consultations that is available to internal and external stakeholders. Awareness regarding respecting human rights increased in recent years, and in fiscal 2024, we identified and assessed the ways that DNP's business activities could potentially have an adverse impact on human rights and identified salient human rights issues. We are discussing policies and reviewing the situations regarding these salient human rights issues.



## Identification and assessment of the adverse impacts

In cooperation with external experts, we identified the advanced impacts that DNP should consider, referencing observations by international institutions and NGOs and examples of risks that have manifested within the industry. The importance of adverse impacts was assessed in terms of their severity and likelihood of occurrence, and salient human rights issues involving DNP were identified. Going forward, we will continue to review this matter in accordance with trends in society and changes in DNP's business activities.

Methods for identifying and assessing salient human rights issues	Potential significant human rights issues identified						
<b>Identification of adverse impacts that should be considered</b> <ul style="list-style-type: none"> <li>Identify adverse impacts referencing risks identified by international institutions and NGOs and examples of risks that have manifested within the industry</li> <li>Clarify matters such as DNP's operations, characteristics and current awareness of risk through interviews and questionnaire surveys of related units in Japan and overseas</li> </ul>	<table border="1"> <tr> <td><b>DNP</b></td><td> <ul style="list-style-type: none"> <li>Harassment (Harassment between employees, employees' harassing business partners,* clients' harassing DNP employees)</li> <li>Safety and health in the labor environment</li> <li>Long working hours and excessive labor</li> </ul> </td></tr> <tr> <td><b>Supply chain</b></td><td> <ul style="list-style-type: none"> <li>Business partners* engaged in forced labor or child labor within business, particularly at raw material production sites</li> <li>Client companies and their factories engaged in forced labor or child labor</li> </ul> </td></tr> <tr> <td><b>Products and services</b></td><td> <ul style="list-style-type: none"> <li>Impact of our products and services on safety and health</li> <li>Indirect complicity in conflict, oppression, etc. through the use of our products and services</li> <li>Invasion of privacy due to the external leakage of personal information, such as information about consumers</li> </ul> </td></tr> </table>	<b>DNP</b>	<ul style="list-style-type: none"> <li>Harassment (Harassment between employees, employees' harassing business partners,* clients' harassing DNP employees)</li> <li>Safety and health in the labor environment</li> <li>Long working hours and excessive labor</li> </ul>	<b>Supply chain</b>	<ul style="list-style-type: none"> <li>Business partners* engaged in forced labor or child labor within business, particularly at raw material production sites</li> <li>Client companies and their factories engaged in forced labor or child labor</li> </ul>	<b>Products and services</b>	<ul style="list-style-type: none"> <li>Impact of our products and services on safety and health</li> <li>Indirect complicity in conflict, oppression, etc. through the use of our products and services</li> <li>Invasion of privacy due to the external leakage of personal information, such as information about consumers</li> </ul>
<b>DNP</b>	<ul style="list-style-type: none"> <li>Harassment (Harassment between employees, employees' harassing business partners,* clients' harassing DNP employees)</li> <li>Safety and health in the labor environment</li> <li>Long working hours and excessive labor</li> </ul>						
<b>Supply chain</b>	<ul style="list-style-type: none"> <li>Business partners* engaged in forced labor or child labor within business, particularly at raw material production sites</li> <li>Client companies and their factories engaged in forced labor or child labor</li> </ul>						
<b>Products and services</b>	<ul style="list-style-type: none"> <li>Impact of our products and services on safety and health</li> <li>Indirect complicity in conflict, oppression, etc. through the use of our products and services</li> <li>Invasion of privacy due to the external leakage of personal information, such as information about consumers</li> </ul>						

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

## Handling key risks in supply chains

## Introducing a supply chain risk management cloud

The increase in natural disasters and the manifestation of geopolitical risks due to climate change, the violation of human rights related to labor and other problems that society is facing, such as corruption, are increasing the risk of disruption and dysfunction throughout the supply chain.

Regarding these situations, DNP believes that risk management throughout the supply chain is an important issue in its management of its business, and it engages in efforts to minimize potential negative impacts.

To strengthen these efforts, the cloud-based Resilire, a supply chain risk management service was introduced in August 2024. When DNP's activities are impacted by a disaster or the manifestation of a geopolitical risk, Resilire makes it possible to efficiently understand the status of

suppliers and promptly begin to respond to the issue.

It also helps to improve the traceability of DNP's supply chains overall, reduce risks and facilitate the reform of employees' workstyles by reducing workloads. Going forward, we will strengthen sustainability initiatives. For example, we will promote our sharing of information with suppliers.



Resilire shows the status of suppliers impacted by a problem

## Responsible procurement

Paper is a raw material that is indispensable in DNP's business activities, and to contribute to the sustainable use of forest resources in the area of paper procurement, DNP established the DNP Group Guidelines for Procurement of Paper for Printing and Converting and set the target of having 100% of the paper we procure be compliant with these guidelines. To achieve this target and ensure the legality of our procurement operations, we are committed to preferentially using FSC-certified paper, using wood from tree thinning activities and ensuring traceability. As a result of these efforts, 99.5%, almost equal to our target, 100%.

There are concerns regarding mineral resources that are high risk in terms of their connection to human rights violations, and responsible minerals procurement is included in the DNP Group Sustainable Procurement Guidelines. We are promoting measures in this area and developing a management structure in line with international standards.

In fiscal 2021, we started a Survey of Suppliers on Human Rights Issues and Conflict Mineral Issues and we also conduct a survey on the country of origin of raw materials. Furthermore, we conduct risk assessments regarding six minerals such as

conflict minerals by using the RMAP (Responsible Minerals Assurance Process), a conformity verification program of the RMI (Responsible Minerals Initiative), an international framework that spearheads the responsible procurement of minerals.

International NGOs and other organizations have pointed out human rights risks connected to aluminum in recent years, such as forced labor. Since aluminum is a material used in major DNP products, initiatives for respecting human rights throughout the supply chain are important. Based on this idea, we will strengthen our efforts through two-party inspections (including on-site confirmations and document screenings) and engagement with major suppliers.



A two-party inspection with a supplier

## Strengthening supply chain information security

Cyberattacks via business partners with insufficient security measures have been increasing in recent years. Cyberattacks on stakeholders in the supply chain can cause production activities to stop and information to leak, and they may affect

the entire supply chain. To prevent these information security risks, DNP strengthens its communication with suppliers and takes the following steps to manage risks.

## Steps of information security management

1. Conduct an information security questionnaire (10 items) for suppliers to identify risks
2. Consider risk countermeasures and encourage implementation
3. Confirmation and evaluation of implementation of risk countermeasures
4. Work with suppliers to improve countermeasures.

## Items in the supplier information security survey

- Basic policy and information security promotion system
- Management of confidential information
- Education for employees
- Information security management for business partners
- Responding to incidents
- User management
- Management of information equipment
- System administration
- Network administration
- Use of e-mail and websites



Board of Directors

 <div><div>Yoshinari Kitajima</div><div>President</div><div>(Sep. 18, 1964)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1987 Joined The Fuji Bank, Ltd. Mar. 1995 Joined the Company Jun. 2001 Director of the Company Jun. 2003 Managing Director of the Company Jun. 2005 Senior Managing Director of the Company Jun. 2009 Executive Vice President of the Company Jun. 2018 President of the Company Apr. 2022 President, Chairperson of Sustainability Committee of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Yoshinari Kitajima is qualified to appropriately supervise the entire Group as well as to realize the Group strategies toward sustainable business growth and corporate value improvement, based on his considerable experience as a management executive in the DNP Group.</div>
 <div><div>Kenji Miya</div><div>Executive Vice President</div><div>(Jun. 11, 1954)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1978 Joined the Company May 1991 Chief Financial Officer of Dai Nippon Printing Co. (Hong Kong) Ltd. Jul. 2003 General Manager of Personnel Dept. of the Company Jun. 2010 Corporate Officer (Yakuin), General Manager of Personnel Dept. of the Company Jun. 2018 Managing Director of the Company Jun. 2020 Senior Managing Director of the Company Jun. 2021 Senior Managing Director (Daihyo Torishimariyaku Senmu) of the Company Jun. 2024 Executive Vice President, managing Smart Communications Sector, Human Capital Sector and Corporate Sector of the Company and Chairperson of BCM Promotion Committee of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Kenji Miya is qualified to appropriately supervise the entire Group as well as to realize the human resources and labor-related strategies, etc. toward business growth and corporate value improvement, based on his considerable experience as a management executive in the DNP Group, including as a chief financial officer at an overseas subsidiary.</div>
 <div><div>Masafumi Kuroyanagi</div><div>Senior Managing Director</div><div>(May 4, 1960)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1983 Joined the Company Apr. 2004 General Manager of Finance &amp; Accounting 1st Dept., Finance &amp; Accounting Div. of the Company Jun. 2010 President of DNP Total Process Warabi Co., Ltd. Jun. 2015 Corporate Officer (Yakuin), General Manager of Finance &amp; Accounting Div. of the Company Apr. 2019 Senior Corporate Officer, in charge of Finance &amp; Accounting Div. of the Company Jun. 2021 Managing Director, in charge of Finance &amp; Accounting Div. of the Company Jun. 2024 Senior Managing Director, in charge of Finance &amp; Accounting Div., Legal Affairs Dept. and Internal Auditing Div. of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Masafumi Kuroyanagi is qualified to appropriately supervise the entire Group as well as to realize financial strategies and capital policy, etc., toward business growth and corporate value improvement, based on his considerable experience as a management executive in the DNP Group and knowledge of all aspects of financial accounting, including account settlement and taxation.</div>
 <div><div>Kazuhiko Sugita</div><div>Senior Managing Director</div><div>(Jan. 19, 1960)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1982 Joined the Company Jun. 1997 General Manager of Sales and Control Dept., Kyushu Operations of the Company Apr. 2008 General Manager of Planning and Control Dept., Ichigaya Operations of the Company Jun. 2015 Corporate Officer (Yakuin), in charge of Corporate Communication Div. of the Company (from Apr. 2016 in charge of CSR &amp; Environmental Dept.) Jun. 2018 Senior Corporate Officer, in charge of Corporate Communication Div. of the Company Jun. 2024 Senior Managing Director, in charge of Corporate Communication Div., IR and Public Relations Div. and Corporate Administration Dept. of the Company Jun. 2025 Senior Managing Director, in charge of Corporate Communication Div., IR and Public Relations Div., Corporate Administration Dept. and Chairperson of Corporate Ethics Committee of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Kazuhiko Sugita is qualified to appropriately supervise the entire Group as well as to realize public relations and IR strategies, etc. toward business growth and corporate value improvement, based on his considerable knowledge of management accounting he has gained through his long practical experience in administrative division and his proven track record as head of the CSR, IR, and public relations divisions, where he has promoted collaboration with various stakeholders.</div>
 <div><div>Toru Miyake</div><div>Senior Managing Director</div><div>(Feb. 5, 1958)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1982 Joined the Company Oct. 2005 General Manager of R&amp;D Div., Display Components Operations of the Company Jun. 2011 General Manager of Corporate R&amp;D Div. of the Company Jun. 2018 Corporate Officer, General Manager of Purchasing Div. of the Company Jun. 2020 Senior Corporate Officer, in charge of Purchasing Div. of the Company Jun. 2023 Managing Director, in charge of Purchasing Div. of the Company Jun. 2025 Senior Managing Director, in charge of Purchasing Div., Strategic Business Planning &amp; Development Div., and Intellectual Property Div. of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Toru Miyake is qualified to appropriately supervise the entire Group as well as to realize enhancement of research and development activities and supply chain, etc., toward business growth and corporate value improvement, based on his experience having served as the head of research and development sector both at the headquarters and business divisions, and as head of the purchasing division, having promoted the transformation of procurement activities.</div>

 <div><div>Osamu Nakamura</div><div>Senior Managing Director</div><div>(Oct. 22, 1962)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1985 Joined the Company Apr. 2001 General Manager of Technology 1st Dept., 1st Business Div., Display Components Operations of the Company Jun. 2017 Corporate Officer, Deputy General Manager of Fine Optronics Operations of the Company Jun. 2020 Senior Corporate Officer, in charge of R&amp;D Div. of the Company Jul. 2022 Senior Corporate Officer, in charge of Fine Optronics Operations of the Company Aug. 2022 Chairperson and Representative Director of DT Fine Electronics Co., Ltd. (current) Oct. 2022 President and Representative Director of DNP Fine Optronics Co., Ltd. (current) Jun. 2025 Senior Managing Director, in charge of Fine Device Operations, Optoelectronics Operations, R&amp;D and Business Development Center, and Fine Packaging Div. of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Osamu Nakamura is qualified to appropriately supervise the entire Group as well as to realize an electronics business strategy toward business growth and corporate value improvement, based on his experience as head of technology and manufacturing divisions in the electronics sector and the research and development sector at headquarters, and as Representative Director of companies including a joint venture with Kioxia Corporation engaged in the manufacture and sale of photomasks for semiconductors.</div>
 <div><div>Minako Miyama</div><div>Managing Director</div><div>(Jan. 15, 1962)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1986 Joined the Company Apr. 2005 General Manager of VR Planning and Development Office, DB Div., C&amp;I Operations of the Company Jul. 2014 General Manager of Recruiting and Training Dept. of the Company Jun. 2018 Corporate Officer, General Manager of Recruiting and Training Dept., and Diversity Promotion Dept. of the Company Jun. 2021 Director, in charge of Recruiting and Training Dept. and Diversity &amp; Inclusion Promotion Dept. of the Company Jun. 2022 Outside Director of TOKAI RIKA CO., LTD. (current) Jun. 2024 Managing Director, in charge of Recruiting and Training Dept. and Diversity &amp; Inclusion Promotion Dept. of the Company</div> <div>■ Qualifications as a Director</div> <div>Ms. Minako Miyama is qualified to appropriately supervise the entire Group as well as to realize human resources development strategies and diversity &amp; inclusion initiatives toward business growth and corporate value improvement, based on her proven track record as the Company's first female Corporate Officer and Director, having promoted initiatives related to the development of human resources and diversity &amp; inclusion, in addition to experience in the research, and planning and development department.</div>
 <div><div>Takahito Kanazawa</div><div>Managing Director</div><div>(Sep. 4, 1960)</div></div>	<div>■ Brief personal history, title, responsibilities</div> <div>Apr. 1984 Joined the Company Oct. 2004 General Manager of Warabi Plant, Manufacturing Div. in Business Form Operations of the Company Apr. 2007 General Manager of System Development Div., IPS Operations of the Company Apr. 2017 President and Representative Director of DNP Data Techno Co., Ltd. Apr. 2018 General Manager of Information System Div. of the Company Jun. 2019 Corporate Officer, General Manager of ICT Business Development Div., Advanced Business Center of the Company Apr. 2020 Corporate Officer, in charge of Information System Div. of the Company Jun. 2021 Director of Nihon Unisys, Ltd. (currently BIPROGY Inc.) (current) Oct. 2021 Corporate Officer, Head of Advanced Business Center, and in charge of Information System Div. of the Company Jun. 2022 Senior Corporate Officer of the Company Jun. 2024 Managing Director, Head of Advanced Business Center, and in charge of Information System Div. of the Company</div> <div>■ Qualifications as a Director</div> <div>Mr. Takahito Kanazawa is qualified to appropriately supervise the entire Group as well as to realize its ICT strategy and enhance information security, etc., toward business growth and corporate value improvement, based on his proven track record as a person responsible for new business development using ICT and his experience as a person responsible for information security, having promoted IT and DX within the DNP Group.</div>
 <div><div>Tsukasa Miyajima</div><div>Director</div><div>(Aug. 23, 1950)</div></div>	<div>■ Brief personal history, title, responsibilities and status of important concurrent offices</div> <div>Apr. 1990 Professor of Keio University, Faculty of Law Apr. 2003 Registered as an attorney at law at the Daini Tokyo Bar Association (current) Jul. 2012 Outside Director of Hulic Co., Ltd. (current) Jun. 2014 Outside Director of the Company, Outside Audit &amp; Supervisory Board member of Mikuni Corporation (current) Nov. 2015 Advisory Committee Member of the Company Apr. 2016 Emeritus Professor of Keio University (current), Professor of Asahi University, Faculty of Law and Graduate School of Law (current) Jun. 2018 Outside Audit &amp; Supervisory Board member of Daifuku Co., Ltd. (current)</div> <div>■ Overview of expected role as an Outside Director</div> <div>Mr. Tsukasa Miyajima is expected to provide advice and supervision over the Company's management from an objective perspective independent from the management executing the business, based on, among other things, his high level of insight and extensive experience as a legal expert.</div>
 <div><div>Yoshiaki Tamura</div><div>Director</div><div>(Oct. 3, 1954)</div></div>	<div>■ Brief personal history, title, responsibilities and status of important concurrent offices</div> <div>Apr. 1979 Joined Asahi Glass Co., Ltd. (currently AGC Inc.) Mar. 2013 Representative Director, Executive Vice President, Overall business management, GM of Technology General Division, Deputy leader of AGC Group Improvement Activities of Asahi Glass Co., Ltd. Mar. 2014 Executive Vice President, President of Glass Company of Asahi Glass Co., Ltd. Mar. 2017 Executive Fellow of Asahi Glass Co., Ltd. Mar. 2018 Outside Director of DIC Corporation Jun. 2022 Outside Director of the Company Jun. 2023 Advisory Committee Member of the Company</div> <div>■ Overview of expected role as an Outside Director</div> <div>Mr. Yoshiaki Tamura is expected to provide advice and supervision over the Company's management from an objective perspective independent from the management executing the business, based on his high level of insight he gained through management experience and expertise in the manufacturing of glass and other materials acquired at AGC Inc. and his experience as an outside director of other listed companies, using such high level of insight.</div>

Management Structure

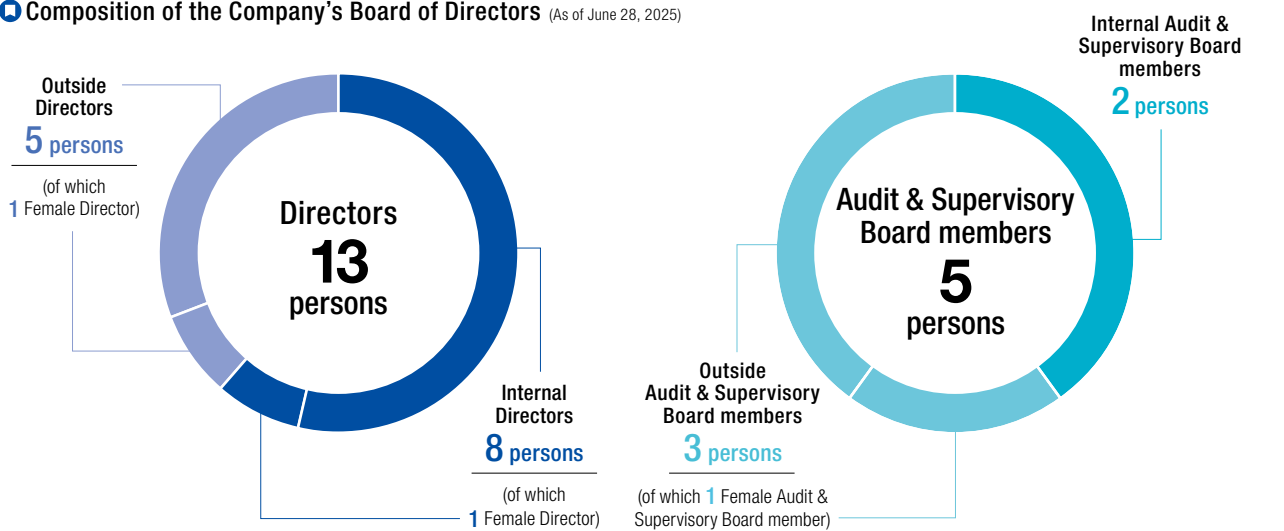
Board of Directors

 <div><b>Hiroshi Shirakawa</b> Director (Dec. 22, 1954)</div>	<div>■ Brief personal history, title, responsibilities and status of important concurrent offices</div> <div>Apr. 1979 Apr. 2011 Apr. 2012 Apr. 2015 Jun. 2019 Jun. 2022 Jun. 2023</div> <div>Joined TAISEI CORPORATION Trustee, General Manager, Corporate Planning Department, Corporate Planning Office of TAISEI CORPORATION Executive Officer, Deputy Chief of Corporate Planning Office, General Manager, Corporate Planning Department of TAISEI CORPORATION Managing Executive Officer, Chief of Yokohama Branch of TAISEI CORPORATION Senior Managing Executive Officer, Member of the Board, Chief of Marketing &amp; Sales (Building Construction) Division II of TAISEI CORPORATION Outside Director of the Company Advisory Committee Member of the Company</div>	<div>■ Overview of expected role as an Outside Director</div> <div>Mr. Hiroshi Shirakawa is expected to provide advice and supervision over the Company's management from an objective perspective independent from the management executing the business, based on his considerable and high level of insight into overall business management he gained through his long experience in administrative division of TAISEI CORPORATION and various important posts held using his considerable experience after assuming the position of Executive Officer of that corporation.</div>
 <div><b>Nobuhiko Sugiura</b> Director (Feb. 7, 1966)</div>	<div>■ Brief personal history, title, responsibilities and status of important concurrent offices</div> <div>Apr. 1989 Aug. 2001  Mar. 2004 Apr. 2006 Apr. 2008 Jun. 2014 Jun. 2024</div> <div>Joined The Hong Kong &amp; Shanghai Banking Corporation Limited Research Fellow at Financial Research and Training Center (FRTC) (currently Financial Research Center (the FSA Institute)), Department of Policies, Planning and Coordination Bureau at the Financial Services Agency Completed the PhD program at the Graduate School of Law (specialized in Private Law) at Chuo University (PhD in Law) Senior Legal Advisor at JPMorgan Securities Japan Co., Ltd. Professor of Business School (Chuo Graduate School of Strategic Management) at Chuo University (current) External Director of SUNDRUG Co., Ltd. Outside Director of the Company</div>	<div>■ Overview of expected role as an Outside Director</div> <div>Mr. Nobuhiko Sugiura is expected to provide advice and supervision over the Company's management from an objective perspective independent from the management executing the business, based on, among other things, his high level of insight and extensive experience in the financial, capital market, corporate governance code and business investment fields, etc.</div>
 <div><b>Mika Kumahira</b> Director (Sep. 22, 1960)</div>	<div>■ Brief personal history, title, responsibilities and status of important concurrent offices</div> <div>Apr. 1985 May 1989 Apr. 1997 Apr. 2011  Apr. 2014 Sep. 2015 Jun. 2019  Feb. 2020 Mar. 2024 Jun. 2025</div> <div>Joined Kumahira Co., Ltd. Director of Kumahira Co., Ltd. Representative Director of Atech Kumahira Co., Ltd. (current) Representative Director of KUMAHIRA SECURITY FOUNDATION, a General Incorporated Foundation (current) Principal of Institute of Diversity Promotion, Career College of Showa Women's University (current) Representative Director of Learning-21 Organization (current) Outside Director of NITTAN VALVE CO., LTD. (currently NITTAN Corporation) (current) Outside Corporate Auditor of Kewpie Corporation (current) Outside Director of Cybozu, Inc. (current) Outside Director of the Company</div>	<div>■ Overview of expected role as an Outside Director</div> <div>Ms. Mika Kumahira is expected to provide advice and supervision over the Company's management from an objective perspective independent from the management executing the business, based on, among other things, her high level of insight and extensive experience in human resource development, organizational development, and diversity, etc., having supported the promotion of active participation of women and diverse working styles in corporate environments while at the Career College of Showa Women's University.</div>

Audit & Supervisory Board members and Corporate Officers

Standing Audit & Supervisory Board members	Ryuji Minemura	Tatsuya Hisakura	Kazuhisa Morigayama* <sup>1</sup>	
Audit & Supervisory Board members	Taeko Ishii* <sup>1</sup>	Yasuyoshi Ichikawa* <sup>1</sup>		
* <sup>1</sup> Outside Audit & Supervisory Board members				
Senior Executive Corporate Officers	Sakae Hikita	Motoharu Kitajima	Mitsuru Tsuchiya	
Senior Corporate Officers	Nobuyuki Asaba	Yoshiki Numano	Mitsuru Iida	Ryota Chiba
	Kazuhisa Kobayashi	Go Miyazaki	Naohiro Nishizawa	Kazuo Murakami
	Takuya Goto	Minoru Nakanishi		
Corporate Officers	Hiroyuki Sone	Yasuyuki Tani	Ariyoshi Matsumura	Mitsue Sako
	Nobuyuki Tomizawa	Hideto Sakata	Toshinari Irukayama	Tomohiro Seyama
	Yasunori Ogawa	Shinji Sasaki	Shuichi Watanabe	

Composition of the Company's Board of Directors (As of June 28, 2025)



Background of the Company's Directors and Audit & Supervisory Board members

		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	Hiroshi Shirakawa*	◎	◎		○				
	Nobuhiko Sugiura	○	◎		◎			○	○
	Mika Kumahira	○		◎		◎	○	○	
Audit & Supervisory Board members	Ryuji Minemura	○			◎				
	Tatsuya Hisakura	○	◎		○			◎	○
	Kazuhisa Morigayama	○	◎		○	○			
Outside	Taeko Ishii			◎	○	○			
	Yasuyoshi Ichikawa		◎		○				

\*Advisory Committee Member

**Background of the Company's directors and Audit & Supervisory Board members**

The Company's Board of Directors and the Audit & Supervisory Board consist of members with diverse backgrounds to cover the experience and expertise (skills) that are considered important in promoting the Medium-term Management Plan. "○" indicates that the individual possesses the background, and "◎" indicates that the individual is highly expected to demonstrate his/her competence in the field.



Corporate Governance

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 nearly 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 supervise 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.

[Website Basic Policy on Corporate Governance \(in Japanese\)](https://www.dnp.co.jp/sustainability/governance/corporate/index.html)  
<https://www.dnp.co.jp/sustainability/governance/corporate/index.html>

Corporate governance system

We are a company with an Audit & Supervisory Board, and as such, the Board of Directors consists of thirteen (13) Directors and five (5) Audit & Supervisory Board members, including five (5) outside directors and three (3) outside Audit & Supervisory Board members, all of whom are independent directors/Audit & Supervisory Board members who meet the “independence standards” stipulated by the Tokyo Stock Exchange and the Company. We believe that outside directors and outside Audit & Supervisory Board members ensure a high level of transparency in management and protect the interests of general shareholders by speaking out on agenda items at the Board meetings from a standpoint independent of the executive management team and based on their various specialized knowledge and experience.

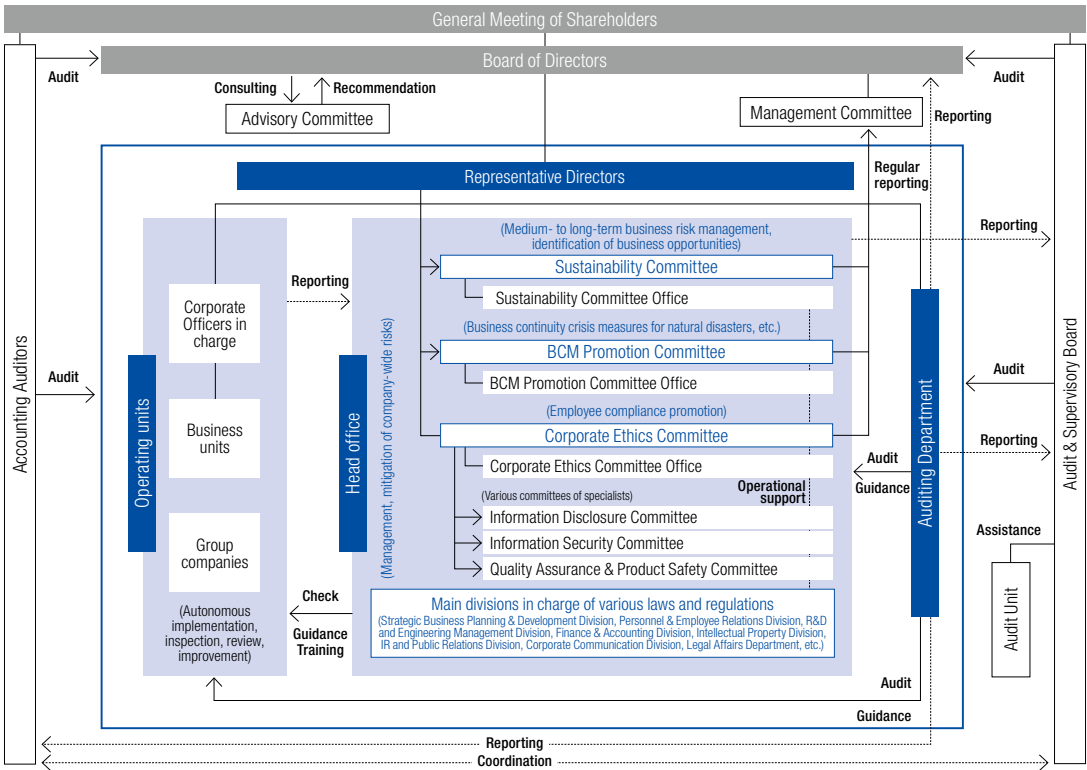
In addition, by introducing a corporate officer system, the Company is appropriately delegating the execution authority of executive directors and corporate officers, as determined by the Board of Directors, to the heads of the basic organizations in accordance with internal regulations. This ensures balance between efficiency in business operations and job duties.

Furthermore, by establishing and operating the non-mandatory Advisory Committee and non-mandatory committees that manage company-wide risks, such as the Sustainability Committee, we ensure appropriateness, agility, flexibility and diversity of the Board of Directors.

To ensure that this kind of corporate governance system is functioning effectively, we regularly verify improvement initiatives centered on outside directors/Audit & Supervisory Board members by making use of surveys, such as evaluating the effectiveness of the Board of Directors overall every year.

The Company aims to achieve further growth by steadily securing profits while flexibly responding to changes in the business environment and returning the profits to our stakeholders. At the same time, we will continue to examine the nature of the Board of Directors to enhance governance efficiency, contributing to the realization of our Corporate Philosophy. Through this system and its operations, we believe the DNP Group can achieve sustainable growth and enhancements in corporate value over the medium to long term.

Structural diagram of DNP’s corporate governance and internal control system



Board of Directors

- The Board of Directors consists of thirteen (13) members, including five (5) outside directors. Each director participates in management decision-making aimed at realizing our Corporate Philosophy, performing their duties with responsibility and authority, while supervising the execution of duties by other directors. In addition to supervising internal 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.
- In principle, the Board of Directors is held once a month to deliberate and decide on important management issues. To ensure essential Board of Directors discussions are lively, materials are distributed beforehand and an advance briefing for outside directors is held to explain items on the agenda.
- Audit & Supervisory Board members attend both the Board of Directors meetings and advance briefings, auditing the proceedings, decisions, and procedures, while also offering comments when necessary.

Audit & Supervisory Board

- The Company’s Audit & Supervisory Board consists of five (5) members (three (3) are standing Audit & Supervisory Board members), including three (3) Audit & Supervisory members with a considerable degree of knowledge about finance and accounting. A majority of members are independent outside Audit & Supervisory Board members. 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 supervising management.

Advisory Committee

- As part of our efforts to strengthen the supervisory functions of the Board of Directors, we have established the Advisory Committee consisting of three (3) independent outside directors/Audit & Supervisory Board members to ensure the transparency and objectivity of decision-making procedures relating to important management issues.
- The Advisory Committee is a non-mandatory committee

Major internal committees for risk management (the Sustainability Committee, the BCM Promotion Committee, and the Corporate Ethics Committee)

- Due to recent rapid changes in the social environment, factors that may affect our stakeholders are becoming increasingly diverse and extensive. The Company’s Board of Directors believes that appropriately assessing risks in this environment, incorporating these assessments into our medium- to long-term management strategies, and strengthening the process of converting the risks into business opportunities will allow us to more significantly contribute to a sustainable society. Three (3) committees

Activities of the Board of Directors, etc. during the fiscal year ended March 2025

Members	Number of meetings held	Main topics for review/activities	Attendance
Board of Directors (12 directors, 5 Audit & Supervisory Board members)	14	<ul style="list-style-type: none"><li><b>Management strategy</b><ul style="list-style-type: none"><li>Progress of operations in line with the Medium-term Management Plan (business, financial and non-financial strategies) and business structure reforms</li></ul></li><li><b>Dialogue with shareholders</b><ul style="list-style-type: none"><li>Holding of financial results briefings, sustainability briefings, etc.</li><li>Status of dialogues with institutional investors (including shareholder proposals)</li></ul></li><li><b>Governance</b><ul style="list-style-type: none"><li>Key personnel, organizational units and compensation</li><li>Evaluation of the effectiveness of the Board of Directors</li><li>Status of internal audits</li><li>Approval of conflict-of-interest transactions</li><li>Compliance survey analysis</li></ul></li><li><b>Individual investments, development of operating bases, and acquisition and sale of assets</b></li></ul>	All members attended all meetings.
Audit & Supervisory Board (5 Audit & Supervisory Board members)	19	<ul style="list-style-type: none"><li><b>Resolutions</b><ul style="list-style-type: none"><li>Audit policy, important auditing items, auditing methods, job assignments, standards for audits by Audit &amp; Supervisory Board members, evaluation and reappointment of accounting auditors, draft audit reports, etc.</li></ul></li><li><b>Reports and consultations</b><ul style="list-style-type: none"><li>Auditing plans and results of the accounting auditor, the accounting auditor’s review of Key Audit Matters (KAM), progress of standing Audit &amp; Supervisory Board member activity and their audit results, audit results from the Auditing Department, reports from the Corporate Ethics Committee, etc.</li></ul></li><li><b>Hearing on the status of duties performed by operating units</b></li><li><b>Informal meeting with the accounting auditor or the Auditing Department, as well as a three-party meeting including both of them</b></li></ul>	All members attended all meetings.
Advisory Committee Chairperson: Tsukasa Miyajima Members: Yoshiaki Tamura Members: Hiroshi Shirakawa	7	<ul style="list-style-type: none"><li>Changes to the directors/Audit &amp; Supervisory Board members/corporate officers (including the structure of the Board of Directors and its skill matrix after the General Meeting of Shareholders)</li><li>Basic policy on compensation for directors and individual compensation</li><li>Status of dialogues with institutional investors</li><li>About the revision of Advisory Committee regulations and the governance subcommittee</li></ul>	All members attended all meetings.

that functions as a nomination committee and a compensation committee. In addition to issues concerning the nomination of and compensation for directors, the committee members discuss important management issues, providing objective advice and recommendations, taking into account the protection of general shareholders’ interests.

- collaborate to address company-wide risks comprehensively for the DNP Group, with the Sustainability Committee taking a central role in regularly reviewing materiality issues in management, which are then discussed by the Management Committee and the Board of Directors.
- Following deliberation by the Advisory Committee, the Board of Directors thus resolved in March 2022 to restructure the Sustainability Committee. The president has been appointed to be its chairperson.

Corporate Governance

Our approach to appointing 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 of directors and Audit & Supervisory Board

members, which are 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 our business structure and scale, the Advisory Committee will focus 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.

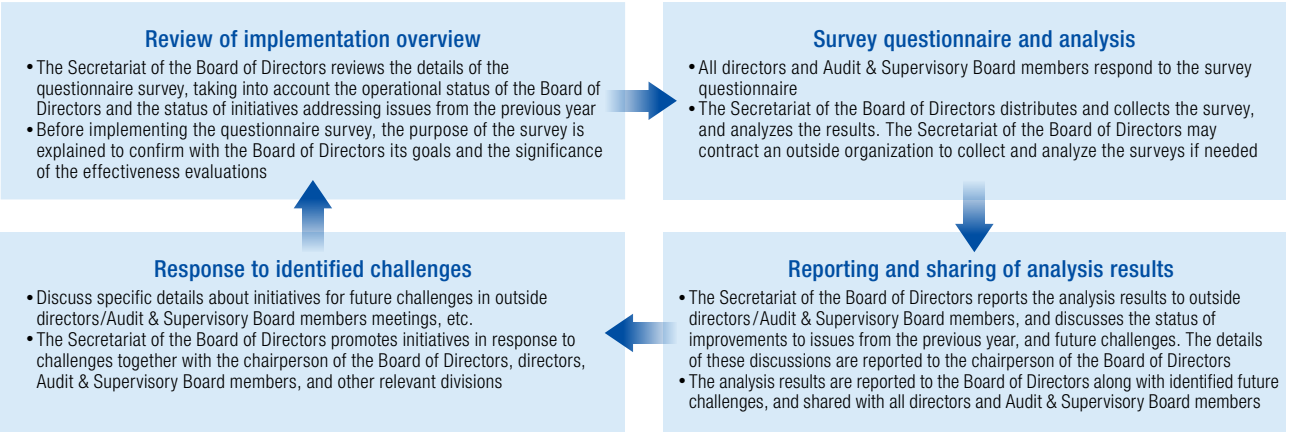
Policies and process for selection of director and Audit & Supervisory Board member candidates

Selection policies	Selection process
<p>The Board of Directors selects candidates for director and Audit &amp; Supervisory Board member (new appointments and reappointments) after multiple comprehensive and multifaceted reviews from the following perspectives.</p> <p><b>Overall Board of Directors perspectives</b></p> <ul style="list-style-type: none"><li>Ensuring the number of directors is appropriate to allow the Board of Directors to make decisions accurately and promptly</li><li>Ensuring that the Board of Directors as a whole maintains balance and diversity in knowledge, experience, and ability</li><li>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</li></ul> <p><b>Perspectives on individual candidates for director and Audit &amp; Supervisory Board member</b></p> <ul style="list-style-type: none"><li>Ability to contribute to the realization of the Company's Corporate Philosophy</li><li>High level of discernment and insight, as well as objective, fair, and impartial judgment needed to fulfill the duties of a director or Audit &amp; Supervisory Board member in a company with an Audit &amp; Supervisory Board</li><li>High ethical standards and a strong sense of legal compliance</li><li>Sufficient health to fulfill the duties of a director or Audit &amp; Supervisory Board member at a publicly listed company</li><li>For outside directors and Audit &amp; 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</li></ul>	<ol style="list-style-type: none"><li>The President draws up a draft list of candidates for director and Audit &amp; Supervisory Board member, and consults the Advisory Committee (for Audit &amp; Supervisory Board member candidates, the President consults with the Advisory Committee after obtaining the consent of the Audit &amp; Supervisory Board). The President selects candidates who can flexibly and promptly implement investment decisions to achieve the Corporate Philosophy through their unique strengths in P&amp;I, while also being capable of appropriate supervision and auditing. As part of this process, the President will take into account the overall business situation of the DNP Group and progress in succession planning for management, including the CEO.</li><li>Taking into account the DNP Group's business structure and scale, the Advisory Committee focuses on balancing the required number of directors and the Board of Directors' overall knowledge, experience, and ability as it evaluates candidates from multifaceted and comprehensive perspectives, based on character and insight (including through interviews with candidates), without regard to race, ethnicity, gender, nationality, or age. The Advisory Committee then reports back to the Board of Directors. Opportunities are also arranged for the Advisory Committee to review the training status of executive personnel at appropriate intervals.</li><li>The Board of Directors then makes a decision on the candidates based on advice and recommendations from the Advisory Committee regarding the draft list of candidates. The Board of Directors makes its decision with respect for the opinions of the Advisory Committee, increasing objectivity in the decision-making process at the Board of Directors and strengthening its accountability.</li></ol>

Initiatives to improve the effectiveness of the Board of Directors overall

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. In April each year, we conduct effectiveness evaluations for the Board of Directors overall with the goal of helping the Board of Directors function better

overall and strengthening its supervisory role. 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 and analysis of the effectiveness evaluations for the fiscal year ended March 2025 (Evaluation period: April 2024 to March 2025)

Survey details	Goal
	Method
	Survey
	<ul style="list-style-type: none"><li>To link the results of the evaluation analysis and initiatives taken in relation to issues with the enhancement of supervisory functions in the execution of duties during the current fiscal year, the final fiscal year of the current Medium-term Management Plan</li><li>To have each director/Audit &amp; Supervisory Board member reflect on their supervisory duties and roles while also reaffirming issues in governance</li></ul>
	<ul style="list-style-type: none"><li>Verified the status of initiatives taken in response to the results of last year's effectiveness evaluations and structured the survey questions in consideration of the fact that the current fiscal year is the final year of the current Medium-term Management Plan</li><li>Maintained a five-point evaluation scale while including open-ended questions, allowing respondents to provide constructive feedback regardless of the score selected, in order to assess effectiveness in greater depth</li></ul>
	<div><div>Decision-making and supervisory functions of the Board of Directors</div><div>Status of discussions on medium- to long-term management plans and strategies</div><div>Status of discussions on individual execution of duties</div></div> <div><div>Operation of the Board of Directors</div><div>Status of Advisory Committee activities</div><div>Individual evaluations for directors/Audit &amp; Supervisory Board members</div><div>Relationship with shareholders and other stakeholders</div></div> <div><div>Status of dialogue with shareholders and capital markets</div><div>Systems for support and cooperation of outside directors/Audit &amp; Supervisory Board members</div><div>Response to issues identified in last year's Board of Directors effectiveness evaluation surveys</div></div>
Evaluation results	<ul style="list-style-type: none"><li>Based on the results of this effectiveness evaluation, the governance structure of the Company's Board of Directors has once again been assessed as broadly effective, as with the previous evaluation</li><li>The evaluation results for the previously identified issue of addressing the information gap between inside and outside directors/Audit &amp; Supervisory Board members showed further progress, as evidenced by a reduced average rating difference between inside and outside directors/Audit &amp; Supervisory Board members</li><li>By reflecting on their individual roles in light of the expected roles in the Board of Directors, directors/Audit &amp; Supervisory Board members demonstrated an increased willingness not only to further apply their experience and skills to strengthen supervisory functions and ensure steady implementation of the current Medium-Term Management Plan, but also to actively engage in discussions aimed at the Company's medium- to long-term growth</li></ul>
	<p><b>The status of issues for improvement extracted from last year's Board of Directors effectiveness evaluation surveys</b></p> <ol style="list-style-type: none"><li><b>Continue to act to follow up on significant investment projects the Board of Directors resolved to implement or that were reported on at Board meetings and in connection with reports on the status of IR activities</b> While we have confirmed that updates on investment projects and IR activities have been reported to the Board of Directors in a timely manner, there were some comments that expressed a desire for more frequent follow-up, especially given the increasing uncertainty in the business environment.</li><li><b>Continue to create opportunities for outside directors and Audit &amp; Supervisory members to communicate with management and employees</b> It was confirmed that sufficient information had been provided to outside directors/Audit &amp; Supervisory Board members; however, since the number of outside directors will be increased this year, it has been decided to continue efforts while making use of opportunities outside of the Board meetings as well.</li></ol>
Future initiatives based on the analysis results	<p>All directors and Audit &amp; Supervisory Board members have agreed to share information to address the following issues as future initiatives:</p> <ol style="list-style-type: none"><li><b>Revitalization of discussions for the next Medium-Term Management Plan after revisiting the current Medium-Term Management Plan</b> We will review the progress of the current Medium-Term Management Plan, focusing on individual investment projects and key strategies. At the same time, we will explore measures to revitalize discussions from a medium- to long-term perspective, with the aim of formulating the next Medium-Term Management Plan.</li><li><b>Further improvements to feedback on dialogue with shareholders, investors, and other stakeholders</b> We will continue to provide feedback to the Board of Directors regarding the status of our dialogue with shareholders, investors, and other stakeholders. We will also share insights such as how the Company is perceived in capital markets and key points from these dialogues, with the aim of fostering more constructive engagement at briefings and other investor-related events.</li></ol>

Evolution of corporate governance improvements

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<ul style="list-style-type: none"><li>Establishment of the Advisory Committee (2 persons)</li></ul>	<ul style="list-style-type: none"><li>Establishment of the secretariat of the Board of Directors</li><li>Distribution in advance of materials concerning agenda items submitted to the Board of Directors</li></ul>	<ul style="list-style-type: none"><li>Holding regular meetings of outside directors/Audit &amp; Supervisory Board members</li></ul>	<ul style="list-style-type: none"><li>Expansion of membership of the Advisory Committee (3 persons)</li><li>Enhancing provision of information to outside directors/Audit &amp; Supervisory Board members (hosting factory tours)</li></ul>	<ul style="list-style-type: none"><li>Addition of outside directors (from 2 to 3 persons)</li></ul>	<ul style="list-style-type: none"><li>Holding financial results briefings</li><li>Addition of outside directors (from 3 to 4 persons)</li></ul>	<ul style="list-style-type: none"><li>Holding ESG briefings</li><li>Development and announcement of skill matrix</li><li>Appointment of female directors and Audit &amp; Supervisory Board members</li><li>Advance briefings for outside directors/Audit &amp; Supervisory Board members on the agenda of the Board of Directors</li></ul>	<ul style="list-style-type: none"><li>Reorganization of the Sustainability Committee</li><li>Holding sustainability briefings</li><li>Feedback on IR (Investor Relations) and SR (Shareholder Relations) activities and opinions from shareholders, etc.</li><li>Introduction of a stock compensation system</li></ul>	<ul style="list-style-type: none"><li>Enhancing the provision of information to outside directors/Audit &amp; Supervisory Board members (participating in internal exhibitions)</li></ul>	<ul style="list-style-type: none"><li>Holding IR Day</li></ul>	<ul style="list-style-type: none"><li>Participation in IR conferences in Japan and overseas</li><li>Addition of outside directors (from 4 to 5 persons)</li><li>Addition of female directors (from 1 to 2 persons)</li></ul>





## Enhancing corporate value and strengthening corporate governance

DNP is implementing initiatives to enhance its corporate value and is strengthening corporate governance to support these initiatives. In this conversation, Outside Director Tamura and Outside Director Sugiura, who became an Outside Director last year, discussed DNP's current growth and transformation, their assessment of its challenges, and what the Board of Directors should be like.



**Yoshiaki Tamura**, Outside Director

Mr. Tamura has held key positions at Asahi Glass Co., Ltd., (currently AGC Inc.) including Representative Director and Executive Vice President (overall business management, GM of Technology General Division and Deputy leader of AGC Group Improvement Activities) in 2013 and Executive Fellow in 2017. He was appointed as a director of DNP in June 2022, and has also served as a member of the Advisory Committee since June 2023.

**Nobuhiko Sugiura**, Outside Director

Mr. Sugiura is a professor at the Chuo Graduate School of Strategic Management. He joined The Hong Kong and Shanghai Banking Corporation Limited in 1989. He was appointed as a Research Fellow at the Financial Research and Training Center (FRTC), the Financial Services Agency in 2001. He assumed the role of Senior Legal Advisor at JPMorgan Securities Japan Co., Ltd. in 2006. He has been a professor at the Chuo Graduate School since 2008. He was an outside director for other companies from 2014 to 2024.

### Reflecting on his first year as a director

**Tamura:** In February 2023, DNP established the DNP Group's Basic Management Policy to create a "better future." It is implementing various transformations in line with the Medium-term Management Plan. A variety of topics have been discussed at the Board meetings. What are your thoughts on the year that has passed since you became a director?

**Sugiura:** I believed that I understood DNP well, but this past year, I discovered that DNP is engaged in the development of a much broader range of businesses than I had anticipated. Witnessing how the company continuously embraces challenges to change through growth investments, including structural reforms and M&A, I feel that DNP resembles a business school. There were many factors I needed to consider regarding the market situation and the business environment surrounding DNP,

which resulted in the year being busier than I anticipated. As I expect to start this year focused on learning more about DNP after being reappointed, I am so excited with anticipation for future growth while realizing the significant responsibility that comes with being an outside director.

### Evaluation of the implementation of the Medium-term Management Plan and DNP's strengths

**Tamura:** During the outside director roundtable that was included in last fiscal year's integrated report, I highlighted the need to monitor the issues on which the Board of Directors has adopted resolutions. In the past year, the Board of Directors has discussed the revision of our plans in consideration of changes in the business environment such as market trends and other issues in a timely manner. The appropriate responses of the Board of Directors to

our advice and suggestions during the discussions are commendable. As a result, we achieved the operating income target in the Medium-term Management Plan one year ahead of schedule.

**Sugiura:** I believe that there have been further improvements in the disclosure of information to capital markets over the past year. At the Board meetings, feedback is carefully provided on our discussions with shareholders and investors, as well as on our financial results and sustainability briefings. As an outside director, I supervise the information disclosure process to ensure that DNP's strengths and the direction of its growth are accurately understood by capital markets and stakeholders, such as shareholders. It is increasingly important to disclose information to capital markets. To enhance corporate value, it is essential that we communicate DNP's strengths and the direction of its growth in an easy-to-understand manner. Accordingly, I will continue to discuss the disclosure of information as a key topic at the Board meetings.

**Tamura:** Mr. Sugiura mentioned DNP's strengths. I believe that DNP's greatest strength is P&I (printing and information) technology that we have cultivated over the approximately 150 years since our founding. We have expanded our business by not only combining our strengths in printing and information, but also by applying our technologies in new fields. In recent years, we have been partnering with external organizations in various ways to foster innovation. I believe that deepening and cultivating P&I technologies, in alignment with a winning scenario based on the market environment, adequately addressing the changing times and continuing to create new value that is required by society will lead to the better future that DNP aims for.

**Sugiura:** At first glance, some of the businesses we are currently involved with may not appear to be connected to P&I. However, upon speaking with people on-site, it becomes evident that many of these businesses were originally based on P&I technology. This is a very interesting aspect of DNP. I see the potential to combine the P&I strengths internally that we have developed in each of our businesses. I believe that by collaborating with external partners, we can continue to create new values that will set a series of future standards, one after another. The foundation of DNP's operations is its diverse workforce and broad-minded corporate culture, which recognizes freedom of thought and encourages employees to take on challenges. These aspects are also strengths of DNP. I visited factories and in-house exhibitions, and I was impressed by the employees who spoke passionately about their work and its significance. I spoke with new employees who attended the welcome ceremony. One of them said that they were able to feel the enthusiasm of the employees they encountered when they were searching for a job, and they decided to join DNP to explore something interesting at the company. I felt the persistence of DNP's DNA.

**Tamura:** I also strongly feel that employees work with excitement and elation when I speak with them. The president repeatedly sent messages to encourage employees to take on challenges. I believe that the culture of embracing challenges while exchanging diverse opinions within the company is deeply rooted in DNP. Although this aspect of our corporate culture is difficult to perceive from outside the organization, I would like everyone to recognize this as one of DNP's strengths.

### Identifying challenges to enhance corporate value

**Tamura:** Fiscal 2025 is the final fiscal year of our current Medium-term Management Plan, but it is also the year when we will formulate the next one. The business environment is changing rapidly due to changes in the global landscape, advances in technological innovation and other factors. We must adapt flexibly to these changes to achieve sustainable growth and enhance corporate value over the medium to long term. To do this, it is essential that we develop multiple specific scenarios for enhancing corporate value over the long term, alongside the Medium-term Management Plan. We will make recommendations to set clear milestones and track progress using straightforward and easily understandable KPIs at the Board of Directors. We should enhance fixed-point observation of our competitors in the market.

For example, we need to monitor the progress of patent applications in various fields and how competitors are adapting to the changes in market demand, and we need to determine how DNP will address these changes. It is important to quantify these factors and enhance our monitoring processes to ensure the Board of Directors can engage in effective discussions. In my previous job, I engaged in manufacturing, and as technological innovation progressed and societal needs changed, I gained experience and insights in quickly recognizing these changes and leveraging the strengths I had cultivated to transform existing businesses into new ones. With the advancement of digital technology and the increasing demand to address global environmental challenges, the business environment surrounding DNP has become more complex and diverse. In such a context, I recognize that my role is to provide advice and recommendations based on my experience and insight when discussing the path that DNP should take in the future.

**Sugiura:** DNP is promoting innovation. To connect these efforts to an enhancement in corporate value, it is important to demonstrate to capital markets that DNP can create high-value-added products and services that contribute to enhancing profitability. Currently, management must consider the cost of capital and the stock price, and indicators such as ROE and PBR are commonly used in the capital market as indicators of capital efficiency. Meeting a certain standard is necessary, but what is important is consistently





providing the capital market with information that allows it to accurately understand the company's growth. I believe that the indicators used should vary depending on the company. I believe that the Board of Directors should continue to discuss how to effectively communicate information about DNP's approach and initiatives to capital markets and shareholders including shareholders, using appropriate indicators. This includes clearly conveying the processes, what actions lead to certain outcomes, and what goals are being pursued, in a way that highlights the key points rather than providing a superficial overview. By achieving both the growth of business and the capital markets' clear understanding of DNP, we can enhance DNP's corporate value.

#### What should the Board of Directors do to enhance corporate value?

**Tamura:** As DNP undertakes initiatives to achieve sustainable growth and enhance corporate value, strengthening corporate governance to support these efforts is a key management issue. We evaluate the effectiveness of the Board of Directors annually, and we have confirmed the effectiveness of the corporate governance system based on the current organizational design (a company with an Audit & Supervisory Board) and the Board of Directors. It is important that we are not satisfied with the status quo and are always aware of the need for improvement. Many other publicly listed companies are transitioning to having an audit and supervisory committee. The Advisory Committee will engage in in-depth discussions about the future of the Board of Directors. This includes determining the necessary number of board members and the balance of knowledge, experience, and abilities of the Board members, as well as the future governance structure of DNP.



**Sugiura:** We have broad-minded discussions at DNP's Board meetings. Since I became an outside director, I have been speaking up without hesitation. The Board of Directors is composed in a well-balanced manner with both inside and outside members from diverse backgrounds. The outside directors bring a wide range of experience to the Board of Directors and offer objective perspectives independent of management, based on their own knowledge. This makes the discussion leading up to the Board's decisions more multifaceted. Personally, I am able to gain new insights from the remarks of other outside directors, allowing me to view DNP from various perspectives.

**Tamura:** DNP is currently implementing its three-year Medium-term Management Plan. However, in order to achieve long-term growth and enhance corporate value beyond the current plan, we need to further leverage the human capital that DNP possesses. Therefore, Ms. Mika Kumahira, who has extensive expertise in areas such as human resource development, organizational development, and diversity, has joined as a newly appointed director. We are confident that with Ms. Kumahira's new perspective and knowledge added to the Board of Directors, discussions will become even more dynamic.



#### Message from Newly Appointed Outside Director

### Aiming for further enhancement of corporate value

**Mika Kumahira,** Outside Director



#### My appointment as an Outside Director

To the present, I have been involved in corporate management in areas such as business strategy rebuilding, organizational reform, and new business creation based on the keywords "corporate transformation." Drawing on this experience, I currently support a variety of companies and nonprofit organizations from the perspectives of diversity management, purpose management, leadership development, and social innovation.

DNP has applied and developed its strengths in P&I (printing & information) and undertakes a vast range of businesses and I am once again impressed by the diversity of DNP's businesses. Furthermore, as DNP strives to realize a "better future," the concept encapsulated in the words "Run a civilized business" embodied in its corporate prospectus at the time of its founding have been passed down through the generations. I feel this is also a major attraction of DNP.

#### "Reaffirming Strengths" for sustainable growth

Companies such as DNP that have achieved growth over the long-term have core competencies, or in other words "sources of strength" and "principles for winning." That said, core competencies tend to weaken as organizations develop and time passes and this often seems so natural that people within the company do not even realize this is happening. To ensure DNP continues to achieve sustainable growth, each and every employee must be fully aware of DNP's strengths and pass these down to future generations through dialogue.

Until now, I have been involved in organizational reform and human resources development through dialogue. Dialogue is a means to identify social needs and to select and filter various information within networks. It is also necessary to have the ability to "envision" the future and "empathize" with others. Understanding the other person's world allows

their true needs to be uncovered, while re-evaluating our own boundaries leads to the generation of creative value that transcends those boundaries. I believe that it is precisely the "autonomous human resources" who are able to engage in such dialogue through their own volition that are the foundation for reaffirming strengths and supporting their transmission.

#### Encouraging the "verbalization of strengths" needed for future growth

It is said that diverse organizations generate major innovations. Promoting D&I (diversity and inclusion) leads to stronger organizational strengths. To realize this, it is essential to not only respect diversity and create an environment where diversity can be fully utilized but also to ensure that each individual becomes an autonomous human resource and to continuously nurture such human resources.

As I mentioned earlier, DNP's sustainable growth requires passing down its strengths to future generations. To do so, self-motivated individuals who engage in dialogue and who "can verbalize strengths" will play a major role. Drawing on my experience to the present, I have engaged in repeated dialogue with DNP's management and employees and this has given me an understanding of DNP's strengths from an outside perspective. I am confident that encouraging people to verbalize these strengths will lead to enhanced corporate value for DNP in the future. I believe that using my experience to engage with DNP's management and employees, understanding DNP's strengths from an "external" perspective, and encouraging them to articulate these strengths will lead to enhanced corporate value. Verbalizing strengths also helps clarify the order of priority of themes for business initiatives and leads to increased productivity.

As a member of DNP and an Outside Director, I intend to provide advice and supervision so that DNP can continue to be an organization that creates new value.



Corporate Governance

Compensation paid to directors and Audit & Supervisory Board members

Matters concerning resolutions at the General Meeting of Shareholders regarding compensation paid to directors and Audit & Supervisory Board members

Compensation for directors and Audit & Supervisory Board members is calculated within the limit for compensation as determined by a resolution at the General Meeting of Shareholders.

Date for resolution	Details of resolution	Number of members*
June 27, 2025	Compensation for directors: Within an annual amount of 1.4 billion yen (Compensation for outside directors shall be within an annual amount of 120 million yen).	13
June 29, 2016	Compensation for directors: Within an annual amount of 1.4 billion yen (Compensation for outside directors shall be within an annual amount of 80 million yen).	12
June 29, 2022	Stock compensation: Directors are granted claims to monetary compensation within an annual amount of up to 300 million yen per year, and up to 300,000 restricted shares per year by receiving in-kind contributions of such claims to monetary compensation (executive directors)	8
June 28, 2007	Compensation for Audit & Supervisory Board members shall be within an annual amount of 180 million yen.	5

\*Number of persons covered by the provision at the time of the resolution

Matters concerning the policy for deciding the details of compensation for each individual director

To determine a policy for deciding the details of compensation for each director (“Decision Policy”), the Board of Directors established standards by referring to objective compensation market data. The Advisory Committee, which consists of independent outside directors/Audit & Supervisory Board members, then went through a process of deliberation and examination. The Board of Directors took the details of this deliberation into consideration and passed a resolution on the Decision Policy for the fiscal year under review (the fiscal year ended March 31, 2025) at the Board meeting held on April 12, 2024.

In the fiscal year ended March 31, 2025, the Board of Directors decided to entrust President Yoshinari Kitajima, with the task of deciding a specific amount of compensation for each director, and Mr. Kitajima, who accepted the task, decided each amount. The Board of Directors entrusted him with this authority because the president is best positioned to conduct the evaluation of the duties each director is responsible for while simultaneously looking at results from broad perspectives.

At the Company, the Advisory Committee conducts an assessment from multifaceted perspectives, including consistency with the Decision Policy to make sure that the president exercises the entrusted authority appropriately, and the president then decides the details of compensation for each director, taking into consideration the results of such assessment.

The Board of Directors determines the amount of compensation for each director after a multifaceted examination in the Advisory Committee, including consistency with the Decision Policy, as stated above. Therefore, we consider that the details of compensation for each director for the fiscal year ended March 31, 2025 are consistent with the Decision Policy.

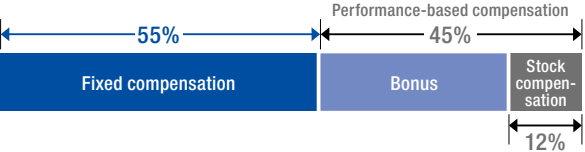
1 Executive directors’ compensation

Executive directors’ compensation consists of 1. fixed compensation, 2. a performance-based bonus and 3. stock compensation.

The ratio of the whole that is (a) fixed compensation and (b) the performance-based bonus and stock compensation are, as a guide, (a) 55% and (b) 45%.

The standard ratio of total compensation that is stock compensation is 12%. These percentages represent the case in which the targets for performance-based compensation have been achieved.

Diagram of compensation in the fiscal year under review



The policy for determining the amount of fixed compensation, bonuses and stock compensation is described below.

1. Fixed compensation: The amount of fixed compensation is determined based on the position or title of the director using objective market data about compensation as a reference and taking into account factors such as the duties and responsibilities of the director. Fixed compensation is paid every month.

2. Bonuses: The amounts of bonuses are determined by considering the level of contribution of the director in the fiscal year under review using consolidated operating income, net income attributable to parent company shareholders and ROE as indicators. The bonus is paid after calculation based on the financial results for the fiscal year under review after the end of each fiscal year.

3. Stock compensation: The company has adopted a restricted stock compensation system to increase the incentive for the medium- to long-term enhancement of corporate value and for directors to hold shares, thereby sharing profit with shareholders.

The transfer of shares allotted to executive directors is restricted until their retirement. The method of calculating the number of shares whose restriction to transfer is lifted will be determined (a) for the portion that requires the continuous service of the director at the Company for a certain period of time (condition of a term in office) and (b) for the portion that requires the achievement of target indicators (currently consolidated operating income and ROE) (performance condition) set as goals in the Medium-term Management Plan to be an incentive for the achievement of the medium-term management goals. In the future, the Company will consider introducing non-financial indicators such as environmental indicators in addition to consolidated operating income and ROE.

Executive directors contribute the total amount of claims

to monetary compensation to be granted by the Company to the Company as in-kind contributed assets, and common stock of the Company is issued or disposed of.

The total number of common stock of the Company to be issued as stock compensation or disposed of shall not exceed 300,000 shares per year\*1, and the amount paid per share shall be determined by the Board of Directors based on the closing price\*2 of the Company’s common stock on the Tokyo Stock Exchange on the business day preceding the date of the resolution made by the Board of Directors, to such extent that the amount is not particularly advantageous to the executive directors who receive the relevant common stock.

Issuance or disposal of the Company’s common stock and the granting of claims to monetary compensation as in-kind contribution assets are subject to the conclusion of a restricted stock allotment agreement between the Company and the executive directors, which includes the following three points.

(1) During the period until the resignation or retirement of an officer or employee of the Company or its subsidiaries, they must not transfer, establish a security interest based upon, or otherwise dispose of the common stock of the Company allocated as stock compensation.

(2) In the event that the officer or employee is unable to achieve the performance conditions for shares allocated as stock compensation for which such performance conditions have been set, the Company shall acquire all or part of the shares free of charge, at a time determined in advance, and without lifting the transfer restriction.

(3) In the event of certain other reasons, the Company shall acquire the shares free of charge.

\*1. Provided, however, that in the event of a stock split of the Company’s common stock (including a free-of-charge allotment of the Company’s common stock) or a reverse stock split, or in the event of other circumstances requiring the adjustment of the total number of the Company’s common stock to be issued or disposed of as restricted shares, the total number of shares will be reasonably adjusted.  
\*2. If the transaction is not completed on the same day, the closing price on the most recent trading day preceding it will be used.

2 Matters concerning performance-based compensation, etc.

Indicators of performance and the calculation method used for performance-based compensation, etc., are described in Section 1 of “matters concerning the policy for deciding the details of compensation for each individual director” above. The indicator consolidated operating income under bonuses is the consolidated earnings forecast for the current fiscal year of 75.0 billion yen. The purpose of the consolidated operating income indicator in our performance-based stock compensation is to highlight the achievement of our Medium-term Management Plan. Therefore, we set an evaluation period of three years, which is aligned with the period of the Medium-term Management Plan, from fiscal year 2023 to fiscal year 2025, and the target for the consolidated operating income indicator is a consolidated operating income of 85.0 billion yen in fiscal year 2025, the final year of the Medium-term Management Plan. The targets for the indicators net income attributable to parent company shareholders and ROE were 90.0 billion yen and 8.0%, respectively. The actual results were 93.6 billion yen for consolidated operating income, 110.6 billion yen for net income attributable to parent company shareholders and 9.6% for ROE.

These indicators were selected to clearly reflect the consolidated business performance for the fiscal year and the state of achievement of the Medium-term Management Plan for performance-based compensation.

3 Compensation for outside directors

Regarding outside directors, from the perspective of maintaining their independence, no performance-based compensation and only fixed compensation shall be provided.

4 Compensation for Audit & Supervisory Board members

Regarding Audit & Supervisory Board members, from the perspective of their roles and maintaining their independence, no performance-based compensation and only fixed compensation shall be provided, the amount of which is determined through consultation among Audit & Supervisory Board members within the limit for compensation determined by a resolution at the General Meeting of Shareholders.

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)	690	374	241	74	9
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	60	60	–	–	2
Outside directors and Audit & Supervisory Board members	127	127	–	–	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 internal directors, two internal Audit & Supervisory Board members and seven outside directors as of the end of the fiscal year ended March 31, 2025.

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	268	Director	Dai Nippon Printing Co., Ltd.	159	77	31

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.

Corporate Governance

Compensation paid to accounting auditors

1 Compensation paid to accounting auditors

Category	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025	
	Compensation for audit certification (¥ million)	Compensation for other services (¥ million)	Compensation for audit certification (¥ million)	Compensation for other services (¥ million)
Dai Nippon Printing Co., Ltd.	130	—	130	2
Consolidated subsidiaries	134	—	135	—
Total	265	—	266	2

2 Compensation paid to individual member firms affiliated with the same network, to which auditors belong (excluding the compensation paid to KRESTON GLOBAL 1) None

3 Other material compensation details None

4 Details of services other than auditing work provided by the accounting auditor to the submitting company The service, other than auditing, provided by the accounting auditor to the Company is creating comfort letters for the secondary offering.

5 Determination of compensation for audit services The Company's compensation for auditing services is determined based on a variety of factors, including the number of expected days for the audit and the company's size.

6 Reason Audit & Supervisory Board consented to compensation for the accounting auditor The Company's Audit & Supervisory Board considers such areas as details of the accounting auditor's audit plan, the state of job execution in the previous fiscal year and the calculation basis of estimates of compensation by obtaining necessary materials from and listening to reports from directors, relevant internal departments and accounting auditors. As a result, the Audit & Supervisory Board consented to the amount of compensation for the accounting auditor submitted by the Company.

Stockholdings

1 Basis of classification of investment securities and rationale The Company does not possess investment securities for pure investment purposes aimed at obtaining profits through fluctuations in stock prices or by receiving dividends. The investment stocks acquired by the Company are for the purpose of strengthening relationships with customers in implementing sales strategies and strengthening collaborative relationships with partners for the co-development of new technologies and new products and these are classified as stocks held for reasons other than for pure investment purposes.

2 Stocks held for reasons other than for pure investment purposes 1. Stockholding policy, method for validating rationale for stockholdings and details of validation at the Board of Directors concerning the propriety of individual stockholdings. The Company specifically closely examines individual stocks based on trends in the status of business transactions with the company issuing the stock, trends in business results of that company, the Company's own business conditions and medium- to long-term economic rationality and future prospects, and the Company periodically verifies the significance and purpose of holding a stock. As a result, the Company sells stocks it determines have no significance. In the fiscal year ended March 31, 2025, the number of shares of 41 stocks held by the Company decreased as listed on the right.

2. Number of stocks and amounts recorded on balance sheets

Category	Number of companies (Stocks)	Total amounts recorded on balance sheets (¥ million)
Non-listed stocks	115	6,000
Stocks other than non-listed stocks	74	197,553

(Stocks for which number of shares increased in the fiscal year ended March 31, 2025)

Category	Number of companies (Stocks)	Total amount of acquisition cost pertaining to the increase in number of shares (¥ million)	Reason for increase in number of shares
Non-listed stocks	7	598	To strengthen our business alliance
Stocks other than non-listed stocks	9	12,263	To enhance our business relationship, strengthen our business alliance, and return shares from retirement benefit trusts

(Stocks for which the number of shares decreased in the fiscal year ended March 31, 2025)

Category	Number of companies (Stocks)	Total amount of sale value pertaining to the decrease in number of shares (¥ million)
Non-listed stocks	5	260
Stocks other than non-listed stocks	36	107,320

3. Holding category, company name, number of shares, amount recorded on the balance sheet and holding purpose of stocks held for reasons other than for pure investment purposes

Stocks held for reasons other than pure investment purposes

Company name	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Company's ownership of DNP shares (Y/N)	Holding purpose, quantitative effect of ownership and the reason for increase in number of shares
	Number of shares	Number of shares		
	Amount recorded on balance sheet (¥ million)	Amount recorded on balance sheet (¥ million)		
Recruit Holdings Co., Ltd.	9,150,000	18,300,000	N	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	70,061	122,738		
The Dai-ichi Life Insurance Co., Ltd.	6,606,600	6,606,600	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	29,941	25,455		
TV Asahi Corporation	4,030,000	—	N	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. In the fiscal year ended March 31, 2025, the number of shares increased because of returning shares from retirement benefit trusts.
	10,216	—		
Dexerials Corporation	4,687,500	3,125,000	N	We hold the company's shares aiming to strengthen our business alliance. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of shareholding through close investigation of the transaction status and the prospects of businesses with the company. After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	8,510	20,896		
Ezaki Glico Co., Ltd.	1,621,545	1,620,641	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of shareholding through close investigation of the transaction status and the prospects of businesses with the company. In the fiscal year ended March 31, 2025, the number of shares increased because of the acquisition of shares through the shareholding association of the client company.
	7,499	6,860		
Toyo Suisan Kaisha, Ltd.	794,980	794,980	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	6,991	7,532		
Sapporo Holdings Limited	759,277	759,277	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	5,791	4,579		
Lion Corporation	3,140,665	3,140,665	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	5,566	4,265		
SINFONIA TECHNOLOGY CO., LTD.	732,800	732,800	Y	We hold the company's shares aiming to strengthen our business alliance. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	4,382	2,374		
Aica Kogyo Co., Ltd.	1,293,743	1,293,743	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	4,265	4,812		
KADOKAWA CORPORATION	1,116,608	584,000	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. In the fiscal year ended March 31, 2025, the number of shares increased because of returning shares from retirement benefit trusts.
	3,968	1,548		
Mizuho Financial Group, Inc.	949,887	2,713,431	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	3,847	8,265		
Asahi Group Holdings, Ltd.	1,440,087	480,029	N	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	2,753	2,679		
Kikkoman Corporation	1,754,700	350,940	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	2,528	3,455		
TBS HOLDINGS, INC.	518,064	518,064	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	2,209	2,258		
MORINAGA & CO., LTD.	786,000	786,000	N	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	1,968	2,063		



Corporate Governance

Company name	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Company's ownership of DNP shares (Y/N)	Holding purpose, quantitative effect of ownership and the reason for increase in number of shares
	Number of shares	Number of shares		
	Amount recorded on balance sheet (¥ million)	Amount recorded on balance sheet (¥ million)		
FUJIFILM Holdings Corporation	685,965	457,310	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	1,951	4,623		
TAKARA HOLDINGS INC.	1,700,000	1,200,000	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. In the fiscal year ended March 31, 2025, the number of shares increased because of returning shares from retirement benefit trusts.
	1,947	1,284		
Kobayashi Pharmaceutical Co., Ltd.	322,215	320,836	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of shareholding through close investigation of the transaction status and the prospects of businesses with the company. In the fiscal year ended March 31, 2025, the number of shares increased because of the acquisition of shares through the shareholding association of the client company.
	1,827	1,634		
YAMATO HOLDINGS CO., LTD.	830,300	830,300	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	1,628	1,791		
S&B FOODS INC.	300,000	344,400	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	1,600	1,518		
Hulic Co., Ltd.	1,040,000	1,040,000	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	1,494	1,634		
Hokuetsu Corporation	976,500	976,500	Y	We hold the company's shares aiming to strengthen our business alliance. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	1,193	1,878		
MITSUBISHI PENCIL COMPANY, LIMITED	450,780	499,165	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company. After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	1,142	1,274		
Nitto Denko Corporation	350,000	70,000	N	We hold the company's shares aiming to enhance our business relationship in the Electronics Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	957	964		
House Foods Group Inc.	309,297	309,297	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	842	957		
Iyogin Holdings, Inc.	446,000	446,000	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	784	523		
SMK Corporation	320,000	320,000	Y	We hold the company's shares aiming to enhance our business relationship in the Electronics Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	768	838		
Fuji Media Holdings, Inc.	293,800	293,800	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	749	582		
MatsukiyoCocokara & Co.	300,000	300,000	N	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. While the quantitative effect of ownership is not stated, we have verified the significance and purpose of our shareholding through close investigation of the transaction status and the prospects of businesses with the company.
	702	731		

(Notes) 1. Stocks held for reasons other than pure investment purposes and stocks held in trust with voting rights are not added together when selecting stocks with the largest amounts as recorded in the balance sheet.  
2. The quantitative effect of ownership is not stated because of matters concerning business agreements with the business partner. In terms of the rationality of the holding, we have periodically verified the significance and purpose of shareholding through close investigation of the transaction status with the company, financial results of the company, business status of DNP, the medium- to long-term economic rationality and the prospects.  
3. In the company's ownership of DNP shares, in the case that the company is a holding company, the holding status of the parent company and its major subsidiaries is stated.  
4. The horizontal line (—) shows that the Company holds no shares of the stock.  
5. Dexerials Corporation conducted a 3-for-1 stock split of its common stock, effective October 1, 2024.  
6. Asahi Group Holdings, Ltd. conducted a 3-for-1 stock split of its common stock, effective October 1, 2024.  
7. Kikkoman Corporation conducted a 5-for-1 stock split of its common stock, effective April 1, 2024.  
8. FUJIFILM Holdings Corporation conducted a 3-for-1 stock split of its common stock, effective April 1, 2024.  
9. Nitto Denko Corporation conducted a 5-for-1 stock split of its common stock, effective October 1, 2024.

Stocks held in trust or other legal entity while retaining voting rights or voting instruction rights

Company name	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Company's ownership of DNP shares (Y/N)	Holding purpose, quantitative effect of ownership and the reason for increase in number of shares
	Number of shares	Number of shares		
	Amount recorded on balance sheet (¥ million)	Amount recorded on balance sheet (¥ million)		
Terumo Corporation	—	7,722,000	N	After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	—	42,146		
TV Asahi Holdings Corporation	—	4,030,000	N	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. The shares were contributed to the retirement benefit trust, but all these shares have been returned to the Company during the fiscal year under review.
	—	8,648		
Japan Tobacco Inc.	—	1,000,000	N	After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	—	4,054		
Astellas Pharma Inc.	—	2,284,000	N	After reviewing the significance and purpose of the shareholding, we have sold a part of our shareholding in the fiscal year ended March 31, 2025.
	—	3,753		
KADOKAWA CORPORATION	—	532,608	Y	We hold the company's shares aiming to enhance our business relationship in the Smart Communications Sector. The shares were contributed to the retirement benefit trust, but all these shares have been returned to the Company during the fiscal year under review.
	—	1,412		
TAKARA HOLDINGS INC.	—	500,000	Y	We hold the company's shares aiming to enhance our business relationship in the Life & Healthcare Sector. The shares were contributed to the retirement benefit trust, but all these shares have been returned to the Company during the fiscal year under review.
	—	535		

(Notes) 1. Stocks held for reasons other than pure investment purposes and stocks held in trust with voting rights are not added together when selecting stocks with the largest amounts as recorded in the balance sheet.  
2. In the company's ownership of DNP shares, in the case that the company is a holding company, the holding status of the parent company and its major subsidiaries is stated.

3 Stocks held for pure investment purposes  
None

7 Business Results/Corporate Profile

Performance and stock/company information focused on FY2024

- 99 Management’s Discussion and Analysis
- 106 Key Financial Data for 11 Years
- 108 Non-financial Data
- 110 Our Products and Services
- 112 Investor Information
- 114 Dialogues with Shareholders and Investors

Management’s Discussion and Analysis

Consolidated Business environment and overview of operating results for the fiscal year ended March 2025

The business conditions surrounding the DNP Group during the fiscal year ended March 2025 were marked by a gradual recovery in the Japanese economy, primarily driven by an increase in individual consumption supported by improvements in domestic employment and income levels, as well as increased inbound tourism. However, the outlook remains uncertain due to factors such as sharp fluctuations in stock prices and exchange rates, prolonged geopolitical risks, sustained high prices for raw materials and fuel, policy trends in the United States and various other countries and regions, and rising domestic prices. In addition, business has become increasingly complex and diverse, with competition intensifying as a result of factors including the need to respond to environmental and human rights concerns, and advances in technologies like AI (artificial intelligence) and XR (extended reality).

The DNP Group doesn’t just respond to the rapid changes and risks in the environment, society, and economy, but also initiates its own reforms from a long-term perspective and develops business activities that create a better future. By combining our unique strengths in printing and information (P&I) and deepening cooperation with diverse partners, we strive to expand the scope of our business and improve our bottom line.

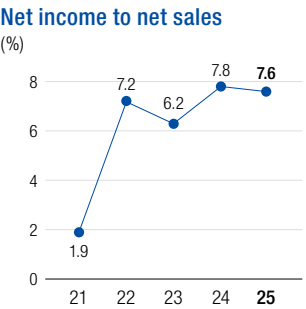
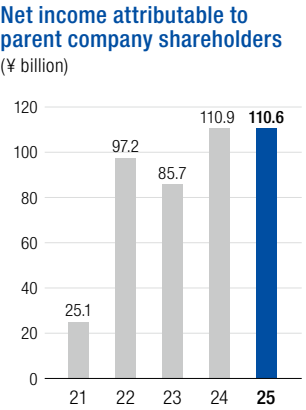
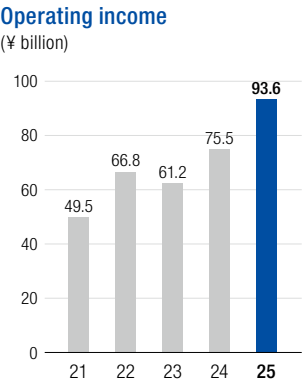
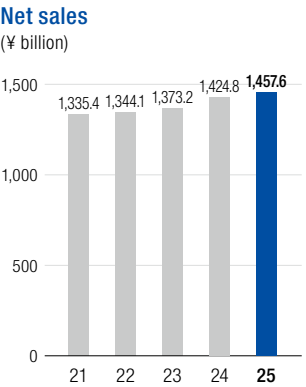
This fiscal year, the second year of our Medium-term Management Plan that covers the three-year period from fiscal 2023 to fiscal 2025, we focused on creating sustainable business value and shareholder value through specific initiatives based on our business strategies, financial strategies, and non-financial strategies. In line with our business strategies, we are building a business portfolio that can exhibit strength in the medium to long term while accelerating the creation of new value, particularly in our focus business areas. Concerning financial strategies, we will continue to appropriately allocate the cash that we generate to investment in further business growth and provision of returns to shareholders. By focusing on strengthening human capital, strengthening intellectual capital, and environmental initiatives as our main non-financial strategies, we are working to strengthen the management foundation that supports sustainable growth.

In addition, the entire DNP Group constantly assesses changes in its business environment while implementing thorough business continuity management (BCM) measures to ensure that we can engage in our business activities without interruption.

	2025.3	2024.3	2023.3
Net sales (¥ million)	1,457,609	1,424,822	1,373,209
Gross profit margin	23.2 %	22.0 %	21.3 %
Operating income margin	6.4 %	5.3 %	4.5 %
Ordinary income margin	8.0 %	6.9 %	6.1 %
Net sales income margin	7.6 %	7.8 %	6.2 %

Overseas sales for the DNP Group as a whole were ¥352,502 million, up 5.0% from the previous fiscal year. Overseas sales accounted for 24.2% of total sales, an increase of 0.6 percentage points from 23.6% in the previous fiscal year. By region, sales in Asia, including Indonesia and Taiwan, increased by 1.1% year on year to ¥248,763 million. In other regions, including the United States and Europe, sales increased 15.6% from the previous fiscal year to ¥103,739 million.

Fiscal year: the accounting year ended March 31





Management’s Discussion and Analysis

Smart Communication

- Net Sales: ¥715,575 million (down 0.5% YoY)
- Operating Income: ¥34,668 million (up 32.5% YoY)
- Operating Income Margin: 4.8% (up 1.2 percentage points)

Imaging communication

**Market** Demand related to taking and printing photographs increased in North America and Europe.

**DNP** We were successful in having major retailers in the United States purchase our newly developed double-sided printer. Sales of dye-sublimation thermal transfer media for photo prints performed well in the North America and European markets. Helped by increases in domestic ID photo services and photo shooting services in North America and Europe, sales grew from the previous fiscal year.

Information Security

**Market** Society’s demand for business process outsourcing (BPO) continued to increase in response to labor shortages and workstyle reforms. In the smart card segment, the percentage of payments using credit cards remained high amid a rise in cashless payment practices.

**DNP** Sales of smart cards were solid, including dual-interface cards with a single IC chip that supports both contact and contactless standards. However, overall sales declined from a year earlier due to a decrease in large-scale BPO projects.

Marketing

**Market** Domestic demand for advertising in fiscal 2024 was affected by a decline in advertising expenses, especially in print media, due to a shift toward internet advertising and reduced demand for publications.

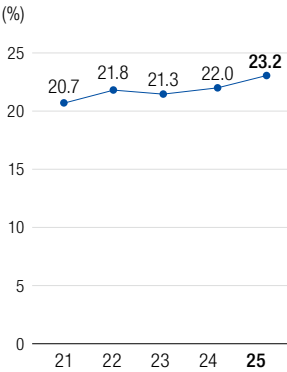
**DNP** We worked hard to provide value by combining DNP’s strengths in digital technologies with the marketing expertise and track record that we cultivated over many years. Nevertheless, sales fell below the previous year’s level due to a contraction in the paper media market.

Publishing

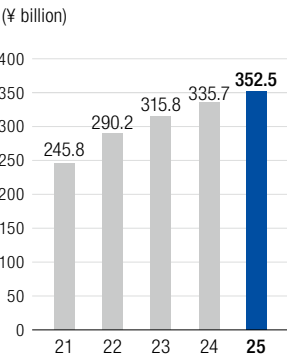
**Market** Sales in the paper publishing industry in 2024 decreased 4.8% from the previous fiscal year to ¥991.1 billion. Sales of books decreased 3.5% to ¥588.6 billion, while sales of magazines decreased 6.7% year on year to ¥402.6 billion. The number of bookstores decreased to 10,918 in 2024, in comparison with the peak of around 22,000 stores in 1999. The size of the electronic book market in 2024 increased 5.8% year on year to ¥566.0 billion (surveyed by Japan’s Research Institute for Publications).

**DNP** Our library management services performed well, with more libraries signing on as clients. The number of contracted libraries in the library support business was 1,840 as of January 31, 2025, a year-on-year increase of 34. Overall, however, sales fell from the previous fiscal year due to the shrinking market for magazines and similar printed publications. In April 2025, we reorganized our publishing and printing businesses to integrate manufacturing and sales functions, in order to enable faster decision-making, strengthen interdepartmental coordination, and facilitate anticipation of market changes.

Gross profit margin



DNP’s overseas sales



Content & XR communication

**Market** In our content-related business, Japanese intellectual property (IP), including anime, manga, and games, is gaining popularity both domestically and internationally, which is contributing to the expansion of the market. At the same time, applications for our XR communication business in industrial contexts are increasing, as it facilitates the extension of real-world interactions beyond the limitations of time and distance.

**DNP** We worked to bolster the creation of new content-related value through initiatives such as hosting major exhibitions utilizing popular IP from Japan and overseas, event and merchandise businesses, and promoting Japanese IP globally. Concerning XR communication, we are focusing on collaboration with external partners that have specialized strengths. Efforts like these, along with DNP’s advanced technologies, have drawn high praise, resulting in DNP’s selection to plan and produce the virtual space for the Japanese government’s Japan Pavilion at the Expo 2025 Osaka, Kansai, Japan.

Life & Healthcare

- Net sales: ¥496,038 million (up 5.0% YoY)
- Operating income: ¥23,790 million (up 78.2% YoY)
- Operating income margin: 4.8% (up 2.0 percentage points)

Mobility and industrial high-performance materials

**Market** In the electric vehicles (EVs) market, the demand for EVs slowed in the second half due to a reduction in EV subsidies in the EU area and auto manufacturers diversifying into plug-in hybrid electric vehicles (PHEVs) and hybrid electric vehicles (HEVs) instead of focusing solely on simple EVs. However, the global market for electronic vehicles (EVs and PHEVs) is projected to expand to over 17.5 million units in 2024 (survey by MarkLines Co., Ltd.) and, in terms of its CAGR (Compound Annual Growth Rate), grow 15% between 2024 and 2030 (survey by GlobalData Plc).

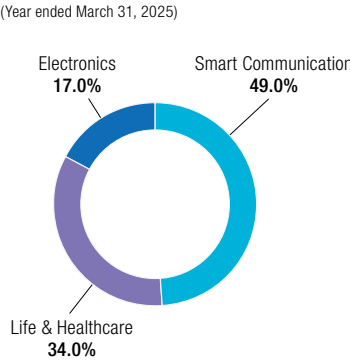
**DNP** Demand for lithium-ion battery pouches for IT applications increased, especially for thin, high-capacity batteries used in smartphones and tablets. Demand for pouches for automobile applications began to recover from October 2024, but due to the impact of stagnant demand in the EV market for most of the year, sales decreased compared to the previous year. Due to growing demand worldwide, photovoltaic modules sold well, with sales of encapsulants particularly strong. In the mobility products sector, sales of decorative films for automotive interior components remained solid.

Packaging

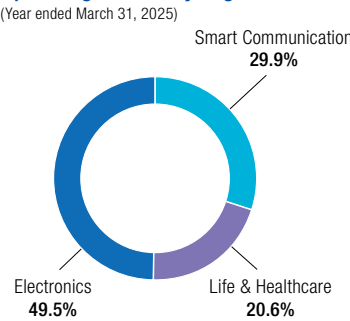
**Market** The sales of packaging materials for food products and daily commodities in the domestic market increased due to heightened health consciousness and high temperatures in summer. However, overall sales in packaging decreased reflecting consumers’ reluctance to buy things amid increasing prices.

**DNP** Despite rising raw material prices, we made progress toward passing on the rising costs and enjoyed increased sales of packaging materials for snacks and daily necessities, and of aseptic plastic (PRT) bottle filling systems. We also focused on the development and sales of eco-friendly packaging and various types of functional packaging materials. Sales increased from the previous fiscal year.

Net sales by segment



Operating income by segment



Management’s Discussion and Analysis

Medical & healthcare

**Market** Prescription drug sales in Japan are estimated to have increased 1% year on year, reaching ¥11,487.406 billion in fiscal 2024 (according to IQVIA). The contract development and manufacturing organization (CDMO) market grew 3.7% year on year, totaling ¥444 billion in fiscal 2023, and is projected to grow at an average annual rate of 2.2% over the five years from fiscal 2024 to fiscal 2028 (according to Yano Research Institute Ltd.). This growth rate is expected to exceed that of the pharmaceutical market as a whole.

**DNP** In this market environment, CMIC CMO Co., Ltd., a CDMO that became a consolidated subsidiary in 2023, achieved a growth rate of 7% to 8%. The medical & healthcare business performed well.

Living spaces

**Market** Domestic new housing starts decreased 3.3% year on year to approximately 790,000 units in fiscal 2024. In these new starts, owner-occupied houses decreased by 2.8%. Apartments and other rental housing declined by 0.5%. Condominiums and other for-sale housing fell by 8.5%. (survey by the Ministry of Land, Infrastructure, Transport and Tourism).

**DNP** Sales of DNP’s Artellion® aluminum exterior panels, which are both highly durable and have attractive designs performed well in Japan and overseas. However, new housing (owner-occupied houses) starts in Japan declined and there were other impacts, resulting in a decrease in sales of interior materials for housing compared to the previous year’s level.

Beverages

**Market** While rising prices led to decreased consumption in certain segments, the beverages market remained steady due to increased demand from inbound tourism and price revisions.

**DNP** Sales exceeded the previous year despite decreased sales to bottlers outside Hokkaido, driven by our strategic price revisions in major sales channels and strong sales through vending machines, convenience stores, and online channels.

Electronics

- Net sales: ¥247,778 million (up 5.3% YoY)
- Operating income: ¥57,363 million (down 1.4% YoY)
- Operating income margin: 23.2% (down 1.5 percentage points)

Digital interfaces

**Market** In the market for organic light-emitting diode (OLED) displays for smartphones, the number of displays shipped increased in 2024 compared to last year due to an increase in the number of related devices. Additionally, the number of manufacturers using OLED displays increased. Consequently, the display area shipped increased 26.1% year on year, to 7,157,400m². The market for TVs and other large LED panel displays shipped increased by 7.7% to 205,784,100m² due to increasing demand for large TVs with a larger display area. (source: Reality and Future Prospect of Display Related Market 2025, Fuji Chimera Research Institute, Inc.).

**DNP** Demand for metal masks used in the manufacture of OLED displays declined relative to the previous year, in which there had been a surge in demand related to new product development. However, sales of optical films were steady, thanks to expansion in the volume of product that was shipped as liquid crystal TV displays grew larger. Overall net sales in this sector increased.

Semiconductors

**Market** In 2024, the global semiconductor market grew 19.7% year on year, reaching a total value of US\$630.5 billion. This increase was primarily driven by memory products and logic products, including GPUs. The increase was fueled by investments in data centers, as companies anticipated increasing demand for AI technologies. In contrast, the semiconductor market was sluggish except for applications related to AI, particularly in the automotive sector, indicating a clear polarization by application. By field, semiconductor memory shipments increased by 79.3% year on year, and logic shipments increased by 20.8% year on year.

**DNP** Recovery in the market led to solid sales of photomasks for semiconductor production, resulting in higher sales compared to the previous year.

Cost of sales/Selling, general and administrative expenses/  
Operating income

Cost of sales increased ¥8,202 million, or 0.7% year on year, to ¥1,119,331 million, and the gross profit margin rose 1.2 percentage points to 23.2%.

In the fiscal year under review, the prices of raw materials and energy continued to increase due to the rising costs of imported raw materials, which were driven by the ongoing depreciation of the yen, wage increases throughout society, and rising inflation. The Group focused on appropriately passing these cost increases on to sales prices and worked to mitigate the impact of rising costs by centralizing and streamlining procurement activities.

Selling, general and administrative expenses amounted to ¥244,666 million in the fiscal period under review, a year-on-year increase of ¥6,424 million, or 2.7%. The percentage of net sales rose 0.1 percentage point year on year to 16.8%.

Operating income for the fiscal year under review rose ¥18,161 million from the previous fiscal year, or 24.1% year on year, to ¥93,612 million. The operating margin rose 1.1 percentage points to 6.4%.

Non-operating income (expenses) and income before income taxes and non-controlling interests

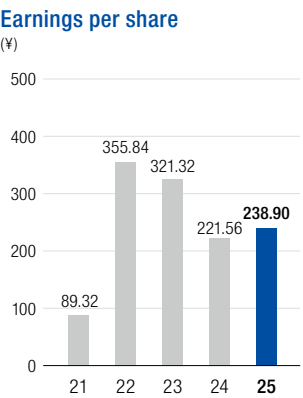
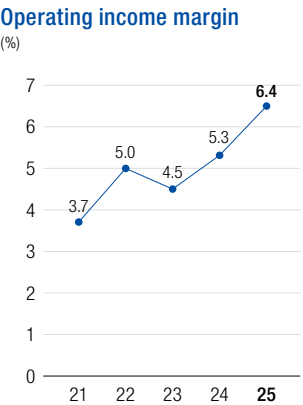
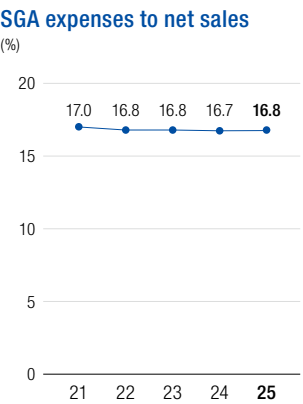
Non-operating income totaled ¥26,350 million in the fiscal year under review, down ¥2,084 million, or 7.3%, from the previous fiscal year. Non-operating expenses totaled ¥4,042 million, down ¥1,140 million, or 22.0% year on year. As a result, net non-operating income was ¥22,307 million, a decrease of ¥944 million, or 4.2% year on year.

Ordinary income totaled ¥115,920 million, up ¥17,218 million, or 17.4%, from the previous year.

Income before income taxes and non-controlling interests totaled ¥168,666 million, up ¥25,654 million, or 17.9%, from the previous fiscal year.

Net income attributable to parent company shareholders

Net income attributable to parent company shareholders totaled ¥110,683 million, down ¥247 million, or 0.2%, from the previous fiscal year. Net income per share was ¥238.90 (compared to net income per share of ¥221.56 in the previous year). Effective October 1, 2024, the Company conducted a 2-for-1 stock split of its common stock. Net income per share is calculated assuming that the stock split had been implemented at the start of the previous consolidated fiscal year.





Management’s Discussion and Analysis

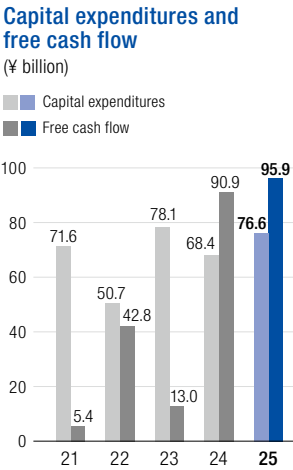
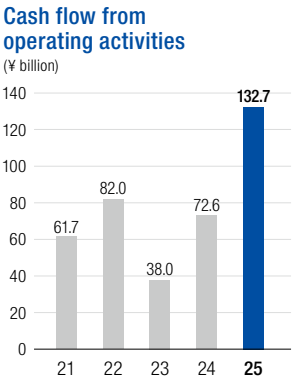
Liquidity and capital resources

Cash Flow			
	2025.3	2024.3	2023.3
Cash flow from operating activities (¥ million)	132,730	72,554	37,994
Cash flow from investing activities (¥ million)	−36,740	18,355	−25,021
Free cash flow (¥ million)	95,990	90,909	12,973

In the consolidated cash flow in the fiscal year ended March 2025, net cash provided by operating activities totaled ¥132,730 million, due mainly to ¥168,666 million in income before income taxes and ¥53,709 million in depreciation. Cash flow used in investing activities totaled ¥36,740 million due mainly to ¥57,083 million in payments for purchases of property, plant and equipment, ¥87,845 million in payments for purchases of investment securities and ¥119,337 million in proceeds from sales of investment securities. Net cash used in financing activities amounted to ¥87,430 million, mainly due to ¥64,862 million for the purchase of treasury shares and ¥15,032 million in dividend payments. As a result of these activities, cash and cash equivalents at the end of the fiscal year in the consolidated cash flow statement totaled ¥250,634 million. Free cash flow in the fiscal year under review, which is the sum of cash flow from operating activities and cash flow from investing activities, amounted to revenue of ¥95,990 million.

Capital expenditures, depreciation expenditures, research and development expenditures, etc.

Capital expenditures in the fiscal year ended March 2025 totaled ¥76,600 million, up ¥8,200 million, or 12.1%, from the previous fiscal year. This included expenditures for reorganizing production bases in existing businesses and priority investments in strategic businesses. By segment, capital expenditures in the Smart Communication segment were ¥31,200 million, up ¥6,700 million from the previous year. They accounted for 41% of total capital expenditures. The Life & Healthcare segment was ¥19,100 million, up ¥900 million, and accounted for 25% of total capital expenditures. The Electronics segment was ¥23,000 million, down ¥1,600 million and accounting for 30% of total capital expenditures. Capital expenditures for company-wide assets totaled ¥3,000 million, up ¥2,100 year on year, and accounting for 4% of total capital expenditures. The necessary capital for the above investments was covered by funds on hand. Depreciation in the fiscal year ended March 2025 was ¥53,700 million, down ¥2,200 million, or 4.1%, from the previous fiscal year. By segment, depreciation in the Smart Communication segment was ¥16,200 million, down ¥4,200 million from the previous year and accounting for 30% of total depreciation. The Life & Healthcare segment was ¥21,300 million, down ¥1,500 million and accounting for 40% of total depreciation. The Electronics segment was ¥14,400 million, up ¥3,400 million and accounting for 27% of total depreciation. Depreciation of company-wide assets totaled ¥1,600 million, an increase of ¥100 million from the previous fiscal year and accounting for 3% of total depreciation. In addition, research and development expenditures for the fiscal year ended March 2025 totaled ¥37,500 million, an increase of ¥2,300 million over the expenditures of the previous fiscal year (¥35,200 million).



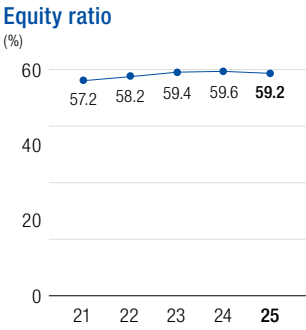
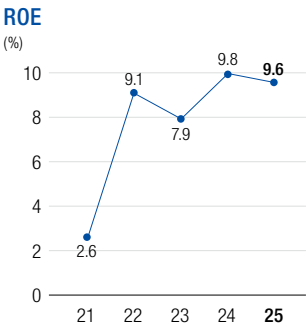
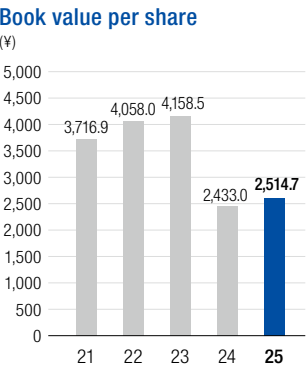
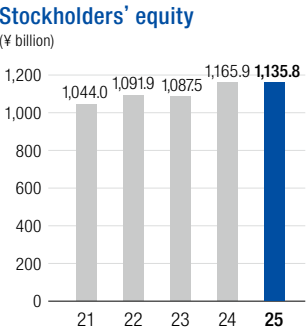
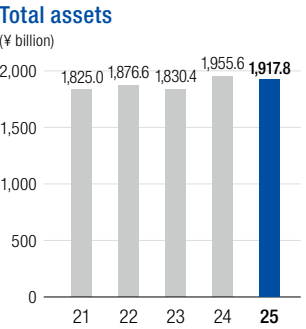
	2025.3	2024.3	2023.3
Total assets (¥ million)	1,917,838	1,955,629	1,830,384
Interest-bearing debt (¥ million)	162,009	166,144	147,817
Stockholders' equity (¥ million)	1,135,848	1,165,926	1,087,504
Book value per share (¥)	2,514.77	2,433.09	4,158.46

DNP’s total assets at the end of the fiscal year under review amounted to ¥1,917,838 million, down ¥37,791 million, or 1.9%, from the previous fiscal year. Among current assets, cash and cash equivalents totaled ¥254,995 million, up ¥26,299 million, or 11.5%, from the previous fiscal year. The sum of trade receivables and contract assets came to ¥341,575 million, down ¥6,856 million, or 2.0%. Inventories of merchandise and finished products, work in process, raw materials and supplies totaled ¥165,728 million, up ¥1,231 million, or 0.7%. As a result, current assets totaled ¥824,693 million, up ¥25,375 million, or 3.2%. Among fixed assets, tangible assets totaled ¥405,796 million, down ¥47,344 million, or 10.4%, from the previous fiscal year. Intangible fixed assets totaled ¥46,393 million, up ¥15,696 million, or 51.1%. Investments and other assets totaled ¥ 640,956 million, down ¥31,518 million, or 4.7%. As a result, fixed assets totaled ¥1,093,145 million, down ¥63,166 million, or 5.5%. Current liabilities totaled ¥435,780 million, up ¥26,851 million, or 6.6%, from the previous fiscal year. Long-term (fixed) liabilities totaled ¥273,279 million, down ¥36,736 million, or 11.8%. As a result, total liabilities amounted to ¥709,059 million, down ¥9,883 million, or 1.4%. As of March 31, 2025, net assets totaled ¥1,208,779 million. As a result, the equity ratio in the fiscal year under review was 59.2%, a decrease of 0.4 percentage points from the previous fiscal year.

As of March 31, 2025, a total of 524,480,692 shares of common stock had been issued, of which 72,810,712 shares, or 13.88% of the total, were held as treasury stock. Effective October 1, 2024, the Company conducted a 2-for-1 stock split of its common stock.

	Shares at beginning of fiscal year	Increase in shares during fiscal year	Decrease in shares during fiscal year	Shares at end of fiscal year
Shares issued	277,240	277,240	30,000	524,480
Treasury stock	37,642	65,202	30,033	72,810

Notes  
1. The number of outstanding shares of common stock increased by 277,240,000 due to the stock split.  
2. The number of outstanding shares of common stock declined by 30,000,000 shares due to the retirement of 30,000,000 shares of treasury stock.  
3. The following is a breakdown of the increase of 65,202,000 in the number of treasury shares of common stock.  
(Before the stock split)  
・Treasury shares increased by 9,479,000 shares due to a decision by the Board of Directors to purchase treasury shares  
・Treasury shares increased by 0,000 shares due to the acquisition of treasury stock without consideration under the restricted stock compensation system  
・Treasury shares increased by 1,000 shares due to the repurchase of odd-lot shares  
(On splitting the stock, after the split)  
・Treasury shares increased by 47,090,000 shares due to the stock split  
・Treasury shares increased by 8,627,000 shares due to a decision by the Board of Directors to purchase treasury shares  
・Treasury shares increased by 1,000 shares due to the repurchase of odd-lot shares  
・Treasury shares increased by 0,000 shares due to a change in the DNP Group’s stake in an equity-method affiliate  
4. The following is a breakdown of a decrease of 30,033,000 in the number of treasury shares of common stock.  
(Before the stock split)  
・Treasury shares decreased by 33,000 shares due to the disposal of treasury shares as restricted stock compensation  
・Treasury shares decreased by 0,000 shares due to a change in the DNP Group’s stake in an equity-method affiliate  
(After the stock split)  
・Treasury shares decreased by 30,000,000 shares due to the retirement of treasury shares  
・Treasury shares decreased by 0,000 shares due to the sale of odd-lot shares



Key Financial Data for 11 Years

Years ended March 31

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Change 2025/2024
Statements of Operations (¥ million)												
Net sales	1,462,118	1,455,916	1,410,173	1,412,252	1,401,506	1,401,894	1,335,440	1,344,147	1,373,209	1,424,822	1,457,609	2.3%
Operating income	48,174	45,472	31,411	46,372	49,898	56,274	49,529	66,789	61,233	75,451	93,612	24.1%
Ordinary income	53,759	52,651	36,740	50,971	58,259	63,786	59,907	81,249	83,661	98,702	115,920	17.4%
Income (loss) before income taxes	51,062	54,841	39,831	45,396	(18,685)	102,719	46,401	126,891	119,734	143,012	168,666	17.9%
Net income (loss) attributable to parent company shareholders	26,924	33,588	25,226	27,501	(35,669)	69,498	25,088	97,182	85,693	110,930	110,683	-0.2%
EBITDA	120,548	122,590	103,494	108,678	42,463	158,660	98,550	178,781	172,203	199,897	223,359	11.7%
Balance Sheets (¥ million)												
Total net assets	1,124,093	1,063,241	1,081,286	1,102,551	1,046,622	968,575	1,098,614	1,148,413	1,148,245	1,236,687	1,208,779	-2.3%
Interest-bearing debt	188,996	189,820	169,133	170,103	166,350	211,646	158,555	154,362	147,817	166,143	162,008	-2.5%
Stockholders' equity	1,078,828	1,017,425	1,033,864	1,053,600	996,162	915,779	1,043,977	1,091,861	1,087,504	1,165,927	1,135,847	-2.6%
Total assets	1,809,462	1,718,636	1,741,904	1,794,764	1,775,023	1,721,724	1,825,019	1,876,647	1,830,384	1,955,629	1,917,838	-1.9%
Cash Flow Statements (¥ million)												
Cash flows from operating activities	85,731	72,629	71,945	48,457	68,972	93,937	61,682	82,029	37,994	72,554	132,730	82.9%
Cash flows from investing activities	(50,540)	(60,883)	14,012	23,075	(146,909)	191,057	(56,284)	(39,209)	(25,021)	18,355	(36,740)	—
Cash flows from financing activities	(23,865)	(47,166)	(45,223)	(42,771)	(32,197)	(41,281)	(78,269)	(57,752)	(52,436)	(118,697)	(87,430)	—
Free cash flow*1	35,191	11,746	85,957	71,532	(77,937)	284,994	5,398	42,820	12,973	90,909	95,990	5.6%
Per Share Data (¥)*2												
Net income (loss) - primary	41.82	53.10	40.79	90.77	(118.22)	235.18	89.32	355.84	321.32	221.56	238.90	7.8%
Net assets	1,675.63	1,618.66	1,680.55	3,493.79	3,300.52	3,260.38	3,716.85	4,057.97	4,158.46	2,433.09	2,514.77	3.4%
Cash dividend*3	32.00	32.00	32.00	48.00	64.00	64.00	64.00	64.00	64.00	64.00	54.00	—
As a Percentage of Net Sales (%)												
Operating income	3.29	3.12	2.23	3.28	3.56	4.01	3.71	4.97	4.46	5.30	6.42	1.12
EBITDA margin	8.24	8.42	7.34	7.70	3.03	11.32	7.38	13.30	12.54	14.03	15.32	1.29
Net income	1.84	2.31	1.79	1.95	(2.54)	4.96	1.88	7.23	6.24	7.79	7.59	-0.20
Financial Ratios												
ROE (%)	2.67	3.20	2.46	2.63	(3.48)	7.27	2.56	9.10	7.86	9.85	9.62	-0.23
ROA (%)	1.59	1.90	1.46	1.56	(2.00)	3.97	1.41	5.25	4.62	5.86	5.71	-0.15
Equity ratio (%)	59.62	59.20	59.35	58.70	56.12	53.19	57.20	58.18	59.41	59.62	59.23	-0.39
Valuations (against share price on March 31)												
PER (times)	27.94	18.84	29.43	24.22	—	9.78	25.97	8.09	11.53	10.54	8.87	—
PBR (times)	0.70	0.62	0.71	0.63	0.80	0.71	0.62	0.71	0.89	0.96	0.84	—
EV/EBITDA (times)	6.02	5.23	6.69	5.30	16.07	2.94	4.97	3.49	4.92	5.25	3.87	—
PCFR (times)	8.00	6.36	8.52	7.48	34.12	5.21	8.57	5.22	7.05	6.70	5.82	—
Dividend yield (%)	2.74	3.20	2.67	2.91	2.42	2.78	2.76	2.22	1.73	1.37	1.79	1.18
Returns to Shareholders												
Values of shares repurchased (¥ million)*4	—	19,998	14,999	14,998	—	59,999	—	29,999	25,854	88,549	64,848	—
Dividend payout ratio (%)	76.54	60.28	78.47	70.52	—	27.21	71.66	17.99	19.92	14.44	15.91	—
Total return ratio (%)	76.59	119.48	137.57	124.78	—	113.11	71.66	48.64	49.90	94.00	74.22	—
Others												
Capital Expenditures (¥ million)*5	55,024	97,265	57,085	59,558	41,103	57,162	71,649	50,699	78,082	68,369	76,628	12.1%
R&D Expenditures (¥ million)	31,749	31,827	31,376	33,210	33,786	33,603	32,623	33,148	32,481	35,236	37,561	6.6%
Depreciation (¥ million)	67,034	65,310	61,461	61,071	59,081	54,475	50,893	51,155	51,769	55,991	53,709	-4.1%
Long-term credit rating (R&I)	AA—	AA—	AA—	AA—	AA—	AA—	AA—	AA—	AA—	AA—	AA—	—
Foreign ownership (%)	25.54	22.01	23.91	24.58	24.85	24.14	23.64	23.16	27.38	27.25	28.53	—

\*1 Free cash flow = net cash from operating activities + net cash from investing activities

\*2 As of October 1, 2017, two shares of common stock were consolidated into one share of common stock.

As of October 1, 2024, a two-for-one stock split was conducted on the common stock. Assuming this stock split occurred at the beginning of the fiscal year ending March 2024, earnings per share and net assets per share have been calculated.

\*3 Cash dividends per share of ¥48.00 for the fiscal year through March 2018 is the combined total of interim cash dividends per share of ¥16.00 (before stock consolidation) and year-end cash dividends per share of ¥32.00 (after stock consolidation).

Cash dividends per share of ¥54.00 for the fiscal year through March 2025 is the combined total of interim cash dividends per share of ¥32.00 (before stock split) and year-end cash dividends per share of ¥22.00 (after stock split).

\*4 Treasury stock acquired through requests for the purchase of odd-lot shares is not included.

\*5 It includes investments in intangible assets.



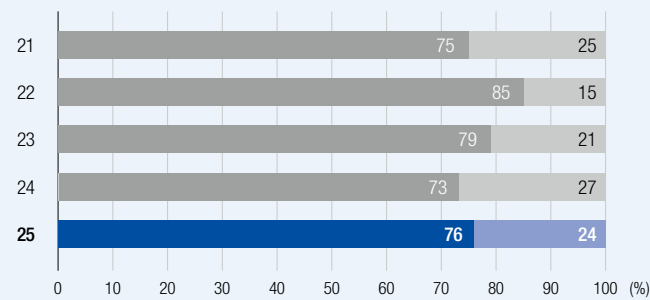
## Non-financial Data

Dai Nippon Printing Co., Ltd. and Consolidated Subsidiaries  
Years ended March 31

## Human Capital Data

Ratio of new graduates and mid-career hires  
(Non-consolidated)

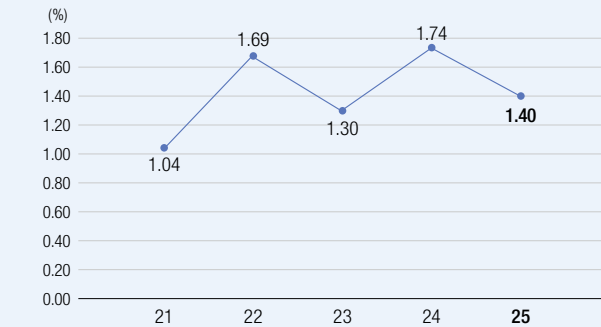
■ New graduates ■ Mid-careers



\*New graduates are calculated based on joining the company in April of the following fiscal year.

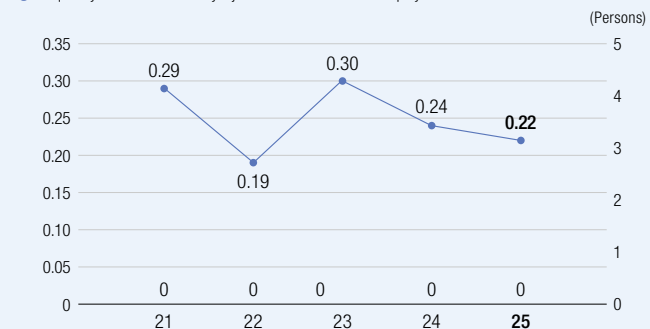
## Annual employee turnover rate

(Non-consolidated)



## Frequency rate of lost workday injuries and number of fatalities due to occupational accidents (Domestic)

● Frequency rate of lost workday injuries ■ Number of employee fatalities

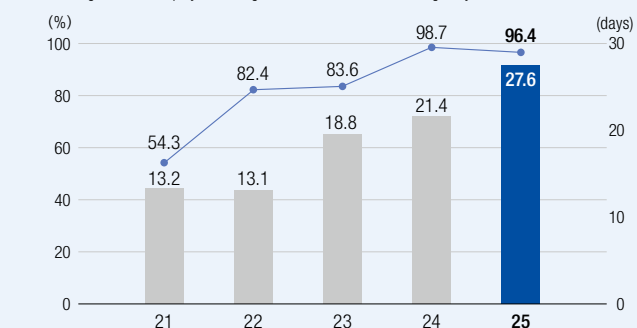


\*1 Frequency rate of lost workday injuries = Number of fatalities or injuries due to industrial accidents (4 or more lost workdays) ÷ Total working hours x 1,000,000

\*2 The period of frequency rate of lost workday injuries is from January to December

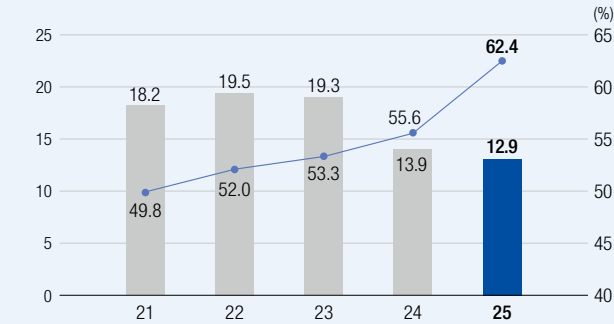
## Male employees taking childcare leave (Non-consolidated)

● Percentage of male employees taking childcare leave ■ Average days of childcare leave taken



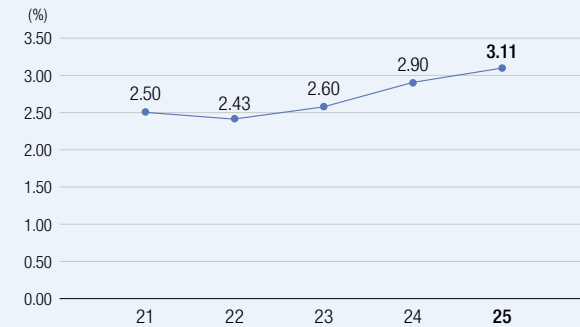
## Average annual overtime hours / Ratio of annual paid leave taken (Non-consolidated)

■ Average overtime hours ● Ratio of employees taking annual paid leave



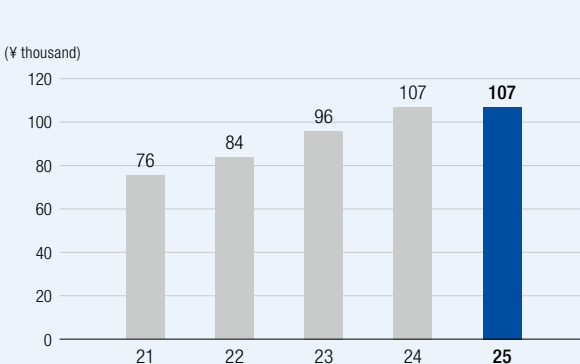
## Employment rate of people with disabilities

(Combination of non-consolidated and special-purpose subsidiary group)



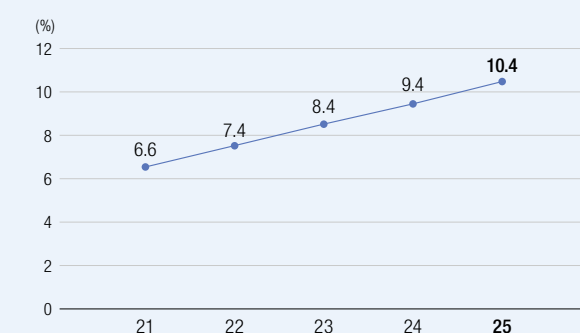
## Expenses per employee of education and training (per year)

(Non-consolidated)



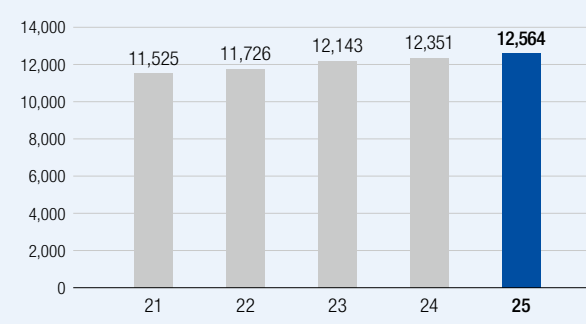
## Ratio of female managers

(Non-consolidated)

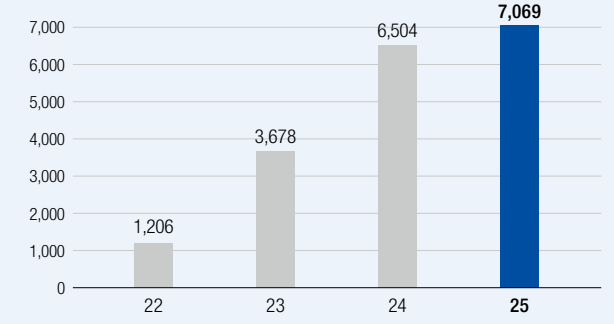


## Intellectual Capital Data

## Number of Japanese patents held



## Number of data management infrastructure users



## Environmental Data

\*The 2025 results include the performance of three companies newly added to the Group.

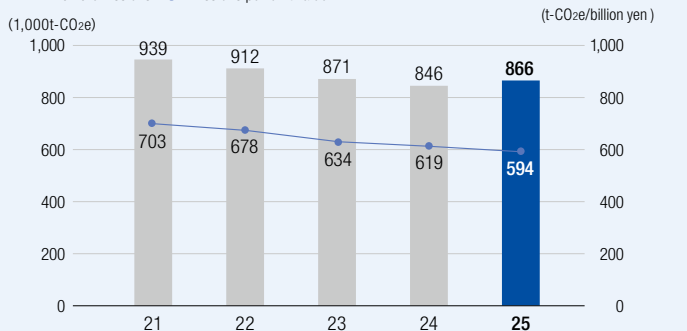
## Eco-friendly products and services Super Eco-Products

■ Total sales ● Ratio of total sales



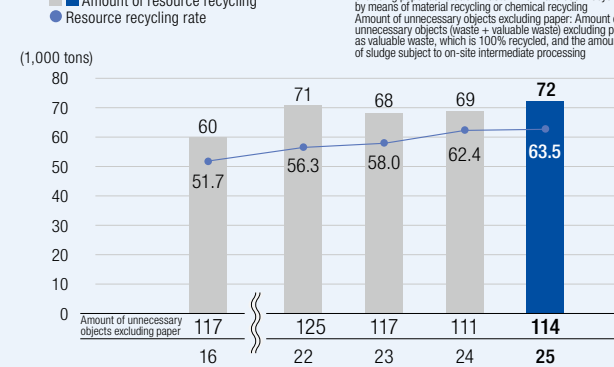
## GHG emissions (Including international operations)

■ GHG emissions ● Emissions per-unit value



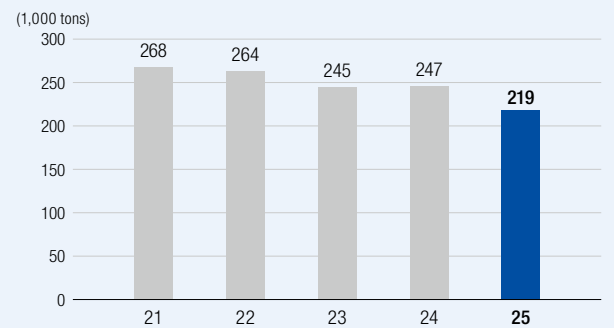
## Amount of resource recycling

■ Amount of resource recycling ● Resource recycling rate



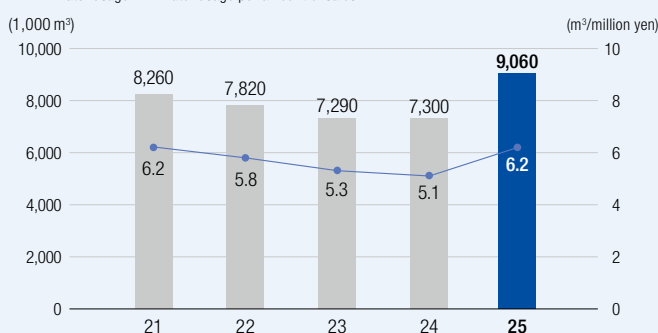
Resource recycling rate: Amount of resource recycling ÷ amount of unnecessary objects excluding paper as valuable waste × 100  
Amount of resource recycling: Amount of unnecessary objects excluding paper as valuable waste which have been recycled by means of material recycling or chemical recycling  
Amount of unnecessary objects (waste + valuable waste) excluding paper as valuable waste, which is 100% recycled, and the amount of sludge subject to on-site intermediate processing

## Total unnecessary objects emissions

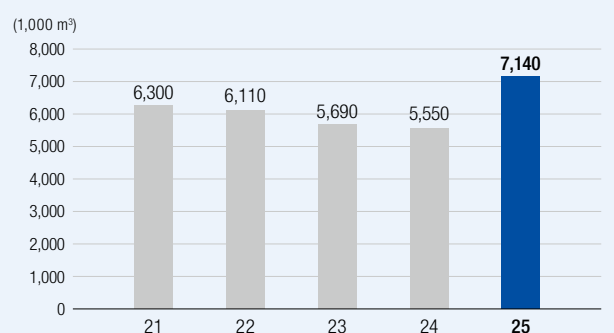


## Water usage

■ Water usage ● Water usage per amount of sales



## Water discharged



## Our Products and Services

## Smart Communication

## • Imaging communication

- 1 Dye-sublimation thermal transfer media and Thermal Transfer Ribbon
- 2 Photo-related services and solutions
- 3 Dye-sublimation photo printer

## • Information Security

- 4 BPO
- 5 Smart cards and magnetic cards
- 6 Identity verification service
- 7 AI-Ready Data service using AI document structuring technology

## • Content &amp; XR communication

- 8 Metaverse
- 9 Virtual reality

## • Marketing

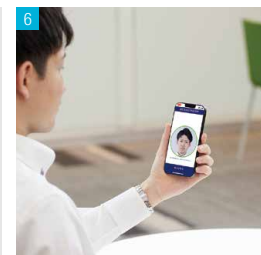
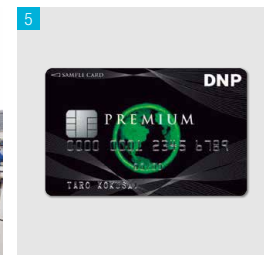
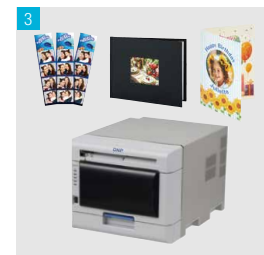
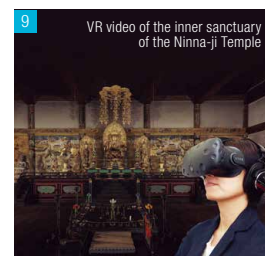
- 10 Digital flyer

## • Publishing

- 11 Books and magazines
- 12 Hybrid bookstore network

## • Education

- 13 Educational ICT



## Life &amp; Healthcare

## • Mobility and industrial high-performance materials

- 14 Battery pouch for lithium-ion batteries
- 15 Photovoltaic module components
- 16 High visibility pattern light
- 17 Curved resin glazing
- 18 Light-transmitting film

## • Medical &amp; healthcare

- 19 Regenerative medicine (providing 3D human intestinal organoids "mini-guts")
- 20 Remote interpretation of medical image
- 21 Press Through Packaging (PTP) with transparency and moisture absorption

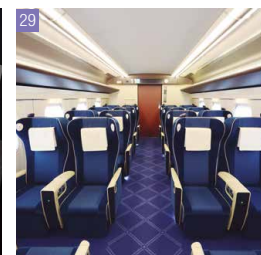
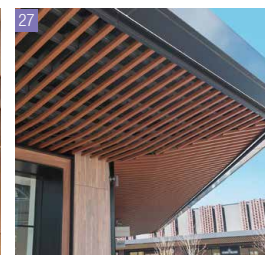
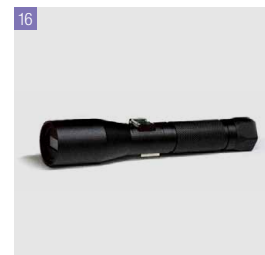
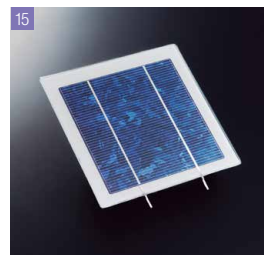
## • Packaging

- 22 Plant-based packaging materials
- 23 Mono-material packaging materials
- 24 Transparent vapor deposition film
- 25 Aseptic filling systems for PET plastic bottles

## • Living spaces

- 26 Decorative film for interior
- 27 Decorative film for exterior
- 28 Aluminum panels for interior / exterior
- 29 Interior coverings for railway cars (Hokuriku Shinkansen)

## • Beverages



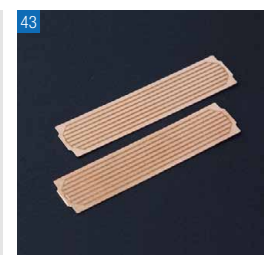
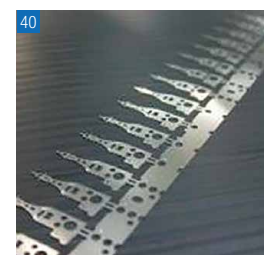
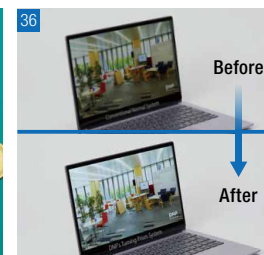
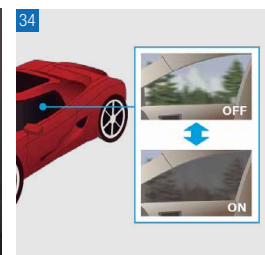
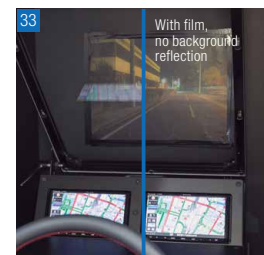
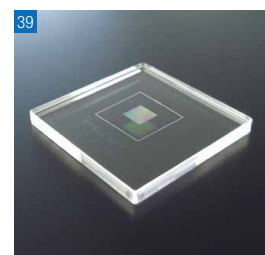
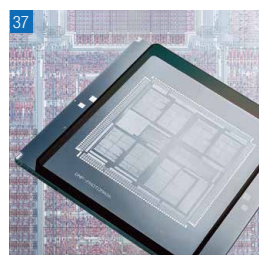
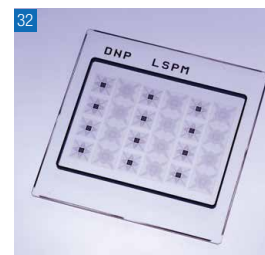
## Electronics

## • Digital interfaces

- 30 Optical film used for displays
- 31 OLED display-related products
- 32 Large-size photomask for displays
- 33 Viewing angle control film for in-vehicle displays (right: with film, no background reflection)
- 34 Light control film
- 35 Encoder disks
- 36 System components for LCD backlight

## • Semiconductors

- 37 Photomask for semiconductors
- 38 Photomasks for EUV
- 39 Master template for nanoimprinting
- 40 Hard disk drive suspension
- 41 Lead frame for compact semiconductor package
- 42 Diffraction optical element (DOE)
- 43 Vapor chamber





Investor Information (As of March 31, 2025)

Dai Nippon Printing Co., Ltd.

Head Office: 1-1, Ichigaya-Kagacho 1-chome, Shinjuku-ku, Tokyo 162-8001, Japan  
Established: 1876  
Number of Employees (consolidated): 36,890  
Paid-in Capital: ¥114,464 million  
Number of Common Stocks: Authorized: 1,490,000,000 shares  
Issued: 524,480,692 shares  
Number of Trading Unit Shareholders (own 100 or more shares): 28,360  
Stock Exchange Listing: Tokyo Stock Exchange

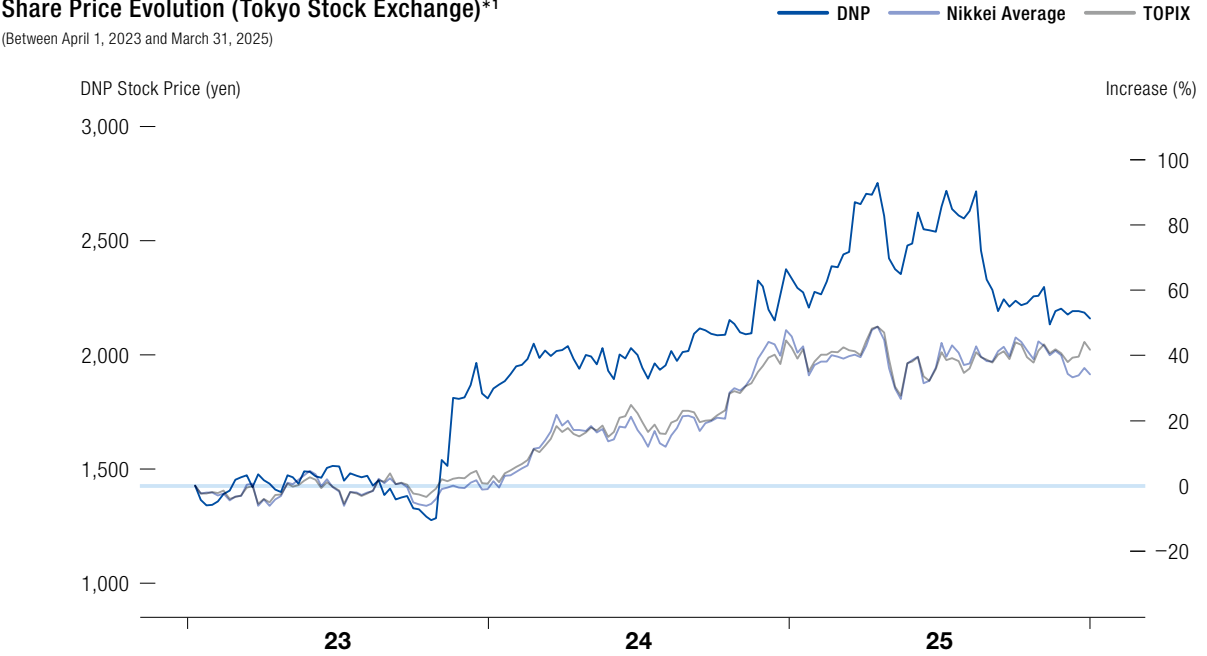
Major Shareholders (as of March 31, 2025):	Shares (thousands)	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	80,355	17.79
Custody Bank of Japan, Ltd. (Trust Account)	29,309	6.49
The Dai-ichi Life Insurance Co., Ltd.	14,823	3.28
Employees' Shareholding Association	13,028	2.88
Nippon Life Insurance Company	9,471	2.10
STATE STREET BANK WEST CLIENT - TREATY 505234	8,958	1.98
STATE STREET BANK AND TRUST COMPANY 505001	8,357	1.85
Mizuho Bank, Ltd.	7,666	1.70
GOVERNMENT OF NORWAY	7,148	1.58
JP MORGAN CHASE BANK 385781	6,300	1.39

Note: 1. The ownership stakes are based on the total number of shares outstanding less treasury shares (451,692,699).  
2. The number of treasury shares is excluded from the figures above.

Stock Code: 7912  
Administrator of Shareholder Register:  
Mizuho Trust & Banking Co., Ltd.  
Stock Transfer Agency Department  
3-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan  
American Depositary Receipts:  
Ratio (ADR:ORD): 2:1  
Exchange: OTC (Over-the-Counter)  
Symbol: DNPLY  
CUSIP: 233806306  
Depositary:  
The Bank of New York Mellon  
240 Greenwich Street, New York, NY 10286, U.S.A.  
Telephone: (201) 680-6825  
U.S. toll free: 888-269-2377 (888-BNY-ADRS)  
URL: <http://www.adrbnymellon.com/>

Fiscal Year-end: March 31  
Independent Auditor: ARK LLC  
Annual Meeting of Shareholders:  
The annual meeting of shareholders of DNP is normally held in June each year in Tokyo, Japan.  
Investor Relations:  
Dai Nippon Printing Co., Ltd.  
IR and Public Relations Division  
Investor Relations Office  
1-1, Ichigaya-Kagacho 1-chome, Shinjuku-ku, Tokyo 162-8001, Japan  
Tel: +81-3-6735-0124  
Fax: +81-3-5225-8239  
Web Site: <https://www.global.dnp>

Share Price Evolution (Tokyo Stock Exchange)\*1  
(Between April 1, 2023 and March 31, 2025)



\*1 Index 100 = March 31, 2022

Fiscal year ended	2021.3	2022.3	2023.3	2024.3	2025.3
DNP (%)	103.56	130.64	169.36	214.12	198.65
TOPIX (%)	(142.13)	(144.96)	(153.38)	(216.79)	(213.44)

\*2 Represents total investment return to shareholders, combining capital gains and dividends. The TSR calculation method is as follows: (Stock price at the end of each fiscal year + the total amount of dividends per share up to each fiscal year starting from four fiscal years prior to the fiscal year ended March 31, 2025 ÷ the stock price at the end of the fiscal year ended March 31, 2020.)

Type		Number of stocks (stocks)	Number of voting rights (rights)
Stocks with no voting rights		—	—
Stocks with limited voting rights (treasury stocks, etc.)		—	—
Stocks with limited voting rights (other)		—	—
Stocks with voting rights (treasury held stocks)	Common stocks	72,787,900	—
Stocks with voting rights (other)	Common stocks	451,437,200	4,514,372
Stocks with less than trading units	Common stocks	255,592	—
Outstanding shares		524,480,692	—
Total voting rights of stockholders		—	4,514,372

Note  
1. The "Number of stocks" column for "Stocks with voting rights (other)" includes 3,000 shares held in the name of the Japan Securities Depository Center, Inc. due to forgotten name changes. The "Number of voting rights" column includes 30 voting rights associated with these shares.  
2. The "Number of stocks" column under "Stocks with less than trading units" includes 93 shares of treasury stock.  
3. A 2-for-1 stock split was implemented on October 1, 2024. The share counts on the left reflect the number of shares after this stock split.

Holder	No. of stocks held	Percentage of holding to No. of outstanding shares
Dai Nippon Printing Co., Ltd.	72,787,900	13.88
Total	72,787,900	13.88

Note  
A 2-for-1 stock split was implemented on October 1, 2024. The share counts on the left reflect the number of shares after this stock split.

Dialogues with Shareholders and Investors



Message from the Director in Charge

We will deepen our dialogue with stakeholders and strive to sustainably enhance corporate value.

Kazuhiko Sugita

Senior Managing Director, in charge of IR and Public Relations Division

DNP consistently places great importance on dialogue with a wide range of stakeholders as an opportunity to create new value. With shareholders and investors, we are expanding opportunities for constructive engagement to deepen understanding of the DNP Group’s businesses and are working to build long-term relationships of trust that contribute to the sustainable enhancement of corporate value.

In February 2023, we announced the DNP Group’s Basic Management Policy, which included quantitative targets of achieving an ROE of 10% and a PBR of over 1.0x at an early stage. In March of the same year, we held a briefing on the outline of our New Medium-Term Management Plan to foster deeper dialogue with stakeholders.

In fiscal 2024, as part of our initiatives to strengthen investor relations and enhance corporate value, we held our first IR Day, where we provided detailed explanations of our business strategies. Participating investors and analysts highly evaluated the event, noting that “it provided an in-depth explanation of the core technologies behind DNP’s products and services, the market environment, competitive strategies, and strengths, offering valuable insights that deepened our understanding of the company.”

We also organized tours for institutional investors and analysts of our facilities and plants, including the P&I LAB.—a site established to promote co-creation by helping business partners better understand DNP’s P&I technologies, strengths, and the value we create. Through these activities, we aimed to deepen participants’ understanding of the technological aspects of our business, such as our advanced manufacturing capabilities and the high barriers to entry they support.

Furthermore, we are proactively engaging with overseas institutional investors through domestic and international conferences hosted by securities firms, and we plan to hold overseas roadshows in fiscal 2025. We will continue to make full use of every opportunity to increase our points of contact with stakeholders—through events such as financial results briefings that share updates on business performance and financial strategies, and sustainability briefings that explain our non-financial initiatives.

The DNP Group will continue to create more opportunities for communication with stakeholders, enriching the content of these interactions to foster deeper dialogue and strengthen our investor relations activities. We sincerely appreciate your continued guidance and support as we strive to achieve our goals.

Policy for IR Activities

In order to sustainably enhance corporate value, we are expanding opportunities such as financial results briefings and IR meetings attended by the president and other senior management personnel, to encourage constructive dialogues with shareholders and investors. The results of these dialogues are also shared with the Board of Directors and utilized in management decision-making.

Main IR activities results

(Number of times)

Activities	FY2022	FY2023	FY2024
Individual IR activities	166	169	194
President’s small meetings	-	1	2
Financial results briefings for institutional investors and analysts	2	2	2
Business strategy briefings for institutional investors and analysts (IR Day)	-	-	1
Sustainability briefings for institutional investors and analysts	1	1	1
Facility tours for institutional investors and analysts	-	-	1
Securities company-sponsored conferences (domestic)	-	1	3
Securities company-sponsored conferences (overseas)	-	-	2
Company briefings for individual investors	1	1	1

Main dialogue themes

- Business strategies to improve profitability (growth strategies, business structure reforms)
- Financial strategies to improve capital efficiency
- Non-financial strategies to enhance sustainability (Human capital, intellectual capital, environment, procurement, etc.)
- Shareholder returns policy
- Promotion of information disclosure
- Strengthening of corporate governance (Cross-held shareholdings, composition of the Board of Directors), etc.

Initiatives based on dialogue

- Expanding disclosure of information related to focused business areas
- Hosted IR Day briefings on business strategies (IR Day)
- Disclosed financial results supplemental briefing materials
- Hosted facility tours showcasing strengths and technologies in P&I
- Conducted plant tours
- Disclosed profit and loss analysis tables using waterfall charts, etc.

Recognition from society (As of July 2025)

ESG indexes

FTSE4Good Index Series



FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index



MSCI Selection Indexes



MSCI Japan ESG Select Leaders Index

2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

THE INCLUSION OF Dai Nippon Printing IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Dai Nippon Printing BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

MSCI Nihonkai ESG Select Leaders Index

2025 CONSTITUENT MSCI NIHONKAI ESG SELECT LEADERS INDEX

THE INCLUSION OF Dai Nippon Printing IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Dai Nippon Printing BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

MSCI Japan Empowering Women (WIN) Index

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

THE INCLUSION OF Dai Nippon Printing IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Dai Nippon Printing BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

S&P/JPX Carbon Efficient Index



Dow Jones Best-in-Class World Index

Recognition regarding sustainability

CDP A LIST



EcoVadis Sustainability Rating



The Sustainability Yearbook - 2025 Rankings





**Dai Nippon Printing Co., Ltd.**

1-1, Ichigaya Kagacho 1-chome, Shinjuku-ku,  
Tokyo 162-8001, Japan  
TEL: +81-3-3266-2111  
URL: <https://www.global.dnp>  
Issued : October 31, 2025  
©2025 DNP