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Company name	DIC Corporation
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**Notice Regarding the Planned Exercise of Voting Rights on the Proposal
for the Election of Board Directors (Proposal 2) at the
79th Ordinary General Shareholders' Meeting of TAIYO HOLDINGS**

DIC Corporation has always sought to maximize corporate value for all of its stakeholders, including its shareholders, believing that its ability to bolster corporate value depends on ensuring sound management based on adherence to corporate governance. This concept applies not only to the Company, but also to its subsidiaries and affiliates.

Guided by this basic concept, the Company has decided to take the following steps regarding the 79th Ordinary General Shareholders' Meeting of TAIYO HOLDINGS CO., LTD., an equity-method affiliate, which is scheduled to be held in June 2025.

As announced in its January 25, 2017, press release titled "Notice Concerning a Capital and Business Alliance with TAIYO HOLDINGS CO., LTD., Which Would Become an Equity-Method Affiliate," DIC entered into a capital and business alliance with TAIYO HOLDINGS, one result of which was that the company became an equity-method affiliate of DIC, with the aim of generating synergies in the area of electronics. Nonetheless, with regard to the Proposal for the Election of Board Directors (Proposal 2) at TAIYO HOLDINGS' forthcoming 79th Ordinary General Shareholders' Meeting, DIC plans to exercise its voting rights against Proposal 2, in particular with regard to the appointment of President and Representative Director Eiji Sato, for the reasons outlined below.

DIC has held discussions with TAIYO HOLDINGS on various fronts under their capital and business alliance. In light of these interactions, and of the stance of the TAIYO HOLDINGS Board of Directors in contemplating proposals for, among others, its delisting (including proposals that specifically states the purchase price and principal transaction terms), the Company believes it is not necessarily the case that TAIYO HOLDINGS' Board of Directors, led by President Sato, is functioning appropriately enough to bolster corporate value over the

medium to long term, or to maximize benefits to shareholders. DIC has become aware that one of the reasons for this is the dominant influence of President Sato. With this in mind, the Company has determined that it would be in the best interest of shareholders to renew the management team by removing President Sato, who has served as President and Representative Director since 2011, an exceptionally long time. Accordingly, the Company has resolved to exercise its voting rights to vote against the proposal to appoint President Sato. The Company will also carefully consider exercising its voting rights regarding the other candidates for the position of director.

Moreover, owing to changes in the operating environment in the electronics sector, as well as changes in TAIYO HOLDINGS' business portfolio, including the expansion of its medical and pharmaceuticals business, DIC has determined that the scope for further business expansion through the generation of synergies with the affiliate is limited. Further, given the policy DIC has outlined in its priority business area of smart living of concentrating management resources on businesses that are expected to generate profits swiftly and reliably, the Company has reached the conclusion that continued investment of capital in TAIYO HOLDINGS will not necessarily contribute to the improvement of its own corporate value over the medium to long term. Against this backdrop, the Company is now conferring with TAIYO HOLDINGS regarding the nature of their capital relationship.

Given the current state of the capital and business alliance described above, DIC has formed the opinion that the significance of continuing to dispatch directors to TAIYO HOLDINGS under the terms of the capital and business alliance is diminishing. As a consequence, no candidates for the position of director nominated by the Company are included in the proposal for the election of directors to the board of TAIYO HOLDINGS for the latter's upcoming Ordinary General Shareholders' Meeting.

Going forward, DIC plans to conduct detailed discussions with TAIYO HOLDINGS regarding the nature of their capital relationship. The Company will promptly issue notification if any issues arise that require disclosure. DIC continues to see TAIYO HOLDINGS as an important business partner with which it intends to carry on doing business.

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