



March 13, 2026

To whom it may concern:

Company: NIPPON CARBIDE INDUSTRIES CO., INC.  
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Notice Regarding Changes to the Shareholder Return Policy  
 and Introduction of a Shareholder Benefit Program

NIPPON CARBIDE INDUSTRIES CO., INC. hereby announces that it plans to announce its next medium-term management plan in May 2026. In advance of this, at the meeting of the Board of Directors held on March 13, 2026, the Company resolved, as described below, on the shareholder return policy for the period of the next medium-term management plan.

In addition, the Company resolved at the same meeting of the Board of Directors to introduce a shareholder benefit program and hereby announces it.

○ **Changes to the shareholder return policy**

1. Reasons for and details of the changes to the shareholder return policy

The Company regards the distribution of profits to its shareholders as an important responsibility, and, for the period of the next medium-term management plan, to further enhance capital efficiency, strengthen shareholder returns, and raise the level of stable dividends, it will change its policy as described below.

Current shareholders return policy	To aim to maintain a stable dividend, with <b><u>a target dividend payout ratio of 30% or more.</u></b>
Shareholders return policy for the period of the next medium-term management plan	To aim to maintain a stable dividend, with a target <b><u>of the higher of a dividend payout ratio of 40% or DOE (dividend on equity ratio) of 3.0%.</u></b>

2. Timing of application

It will be applied from the first fiscal year of the next medium-term management plan (the interim dividend for the fiscal year ending March 2027).

○ **Introduction of a shareholder benefit program**

1. Purpose of the introduction of the shareholder benefit program

With the aims of enhancing the attractiveness of investment in the Company's shares and encouraging a greater number of shareholders to hold the Company's shares continuously, the Company has decided to introduce a shareholder benefit program.

2. Outline of the shareholder benefit program

(1) Eligible shareholders

With September 30, 2026, as the initial record date, the eligible shareholders shall be those who are recorded in the shareholder register as of March 31 and September 30 of each year thereafter and who hold 100 shares (one unit) or more of the Company's shares.

(2) Details of the shareholder benefits

Eligible shareholders will receive a digital gift of 500 yen on each record date (a total of 1,000 yen per year).

Record date	Number of shares held	Details of benefits
End of September each year	100 shares (one unit) or more	Digital gift worth 500 yen
End of March each year	100 shares (one unit) or more	Digital gift worth 500 yen

\*The planned exchange options for the digital gifts are as follows. Please note that the exchange options are subject to change.

Amazon gift card / PayPay Money Lite / d POINT / au PAY gift card, etc.

3. Timing and method of granting shareholder benefits

A notice will be sent to the address recorded in the shareholder register as of each record date, in principle, within three months from the record date.

\*Details of the shareholder benefit program are scheduled to be announced on the Company's website and through other channels at a later date.

End