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Establishment of New Organizations to Promote Mid-term Strategy

Daicel Corporation ("Company"; Head Office: Kita-ku, Osaka; President: Yoshimi Ogawa) will establish a Biomass Innovation Center and the Advanced Materials & Packaging Institute to accelerate the collaborative creation of industry, academia, and government in order to realize the "Four Shifts*" for building a recycling-oriented society, which are set forth in the Long-term Vision "DAICEL VISION 4.0" and the Mid-term Strategy "Accelerate 2025.

The Company will also establish a Life Science Business Division, which will consolidate products and services related to the medical field, as well as research and development and marketing functions, with the aim of turning the medical field into an SBU by strengthening the search for needs and expanding business synergies.

In addition, an Assessment Headquarters will be established to facilitate rapid decision-making and improve the accuracy of business planning, which is the foundation of the Daicel Group's growth strategy. For details of each organization, please refer to the attachment.

Daicel Corporation will continue to conduct business activities in line with its Mid-term Strategy and steadily advance toward becoming a company that makes people happy through value co-creation.

* Four shifts for contributing to the construction of a recycling-oriented society:

- "Formation of New Business Group"
- "Realization of Biomass Product Trees"
- "Implementation of carbon offsets and energy offsets"
- "Providing happiness in four domains"

For more details, please see the PDF file below.

https://www.daicel.com/en/news/assets/pdf/plan2_en.pdf

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Biomass Innovation Center

In order to build a recycling-oriented society, we are conducting joint research with Kanazawa University and Kyoto University with the aim of constructing a new biomass product tree that uses renewable biomass as a raw material and has a low environmental impact in its production process. In addition, we will continue to promote co-creation through open innovation and with this biomass product tree at the core, we aim to establish a biomass value chain that will create a new cycle of value closely linked to local communities in cooperation with primary industries.

In addition to planning and promoting these co-creation initiatives, the Biomass Innovation Center will be newly established as a core function to promote collaboration among biomass-related initiatives from a bird's eye view and implement them in society.

This will accelerate the development of new materials and production process technologies to build a recycling-oriented society that makes effective use of biomass with the aim of creating new social value.

Advanced Materials & Packaging Institute

The Company has specialized in the development and production of organic compounds, but we are now developing composite materials of inorganic and organic materials to create even more value.

We have been conducting basic research on the theme of inorganic-organic composite materials mainly at our Research Center, but we have reached a stage where we need to go beyond basic research and simultaneously conduct customer-oriented applied research and development related to research results.

To this end, we have established the Advanced Materials & Packaging Institute, which is independent of the Research Center, to conduct basic research on new materials that meet customer needs and to develop prototypes for practical customer evaluation.

In doing so, we aim to quickly determine the marketability of our research results and commercialize innovative inorganic composite materials.

Life Science Business Division

The Life Science Business Division will be newly established to promote life science and medical-related businesses. The objective is to create a system to manage the execution of related businesses and R&D from a comprehensive viewpoint, with the aim of setting up an SBU for life science-related businesses.

CPI Company, which is engaged in the chiral separation business, will be positioned under this organization and the development functions of the Pharma Solutions business unit, which have until now been promoted by the Innovation and Business Development Headquarters, will be integrated into its R&D department. In addition, CPI Company's marketing department will integrate the marketing functions of the Pharma Solutions business and the Medical Device Division (Actranza Lab) of the Safety SBU. In addition to this, a Business Development and Operations section will be established directly under this organization, which will have the function of planning and promoting R&D strategies, including those of CPI Company and overseas

subsidiaries of the Pharma Solutions business and seeking alliances with external partners.

In addition, due to the characteristics of its basic technology, the development and production functions of Actranza Labs will remain in the Safety SBU, and only the marketing function will be transferred to CPI Company.

These initiatives will enable us to utilize our management resources in R&D and marketing which have been handled by the existing organizational structure, on a cross-organizational and global basis. This will accelerate the commercialization of medical-related fields, and facilitate promotion of activities for joint development and business with domestic and overseas pharmaceutical and medical equipment companies based on the Group's technologies.

Assessment Headquarters

The Assessment Headquarters will be established to strengthen the assessment system related to the Group's new business and investment plans.

The Assessment Headquarters will make risk assumptions related to business feasibility, safety, environment, quality, CSR and other aspects of new and revised plans and will conduct highly diverse and specialized studies under an integrated system while improving planning accuracy and decision making.

In addition, an Assessment Promotion section will be established within this organization to continuously improve and enhance assessment by improving the planning of the assessment system, structure and standards. This will improve our ability to formulate plans, develop human resources and accumulate technologies necessary for self-assessment and self-inspection and to collect and provide related technologies and information.

In addition, the Quality Management Division and Responsible Care which are also the main bodies for conducting assessments, will be transferred to this organization for the purpose of efficiently promoting continuous improvement of assessments, including confirmation and support of assessment results in alignment with audit functions and post-assessment.