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July 10, 2026

To Whom It May Concern,

COMPANY NAME **DAICEL CORPORATION**
Representative Yasuhiro Sakaki, President and CEO
(Code: 4202, Prime Market of the Tokyo Stock Exchange)
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Notice Regarding the Grant of Units under the Performance Share Unit Plan

Daicel Corporation (the "Company") has introduced a performance-based stock compensation plan (Performance Share Unit Plan; hereinafter, the "Plan") pursuant to the resolution adopted at the 160th Ordinary General Meeting of Shareholders held on June 19, 2026. The Company hereby announces that, at a meeting of its Board of Directors held today, it resolved to grant units under the Plan to the Company's directors (excluding outside directors) and executive officers, entitling them to receive shares of the Company's common stock according to the degree of achievement of the Company's performance targets (hereinafter, "Units"), as outlined below.

1. Eligible Persons, Number of Eligible Persons, and Number of Units to Be Granted

Eligible Persons	Number of Persons	Number of Units to Be Granted
Directors of the Company (excluding outside directors)	5	Units equivalent to a maximum total of 200,092 shares
Executive officers not concurrently serving as directors of the Company	16	Units equivalent to a maximum total of 229,888 shares

2. Plan Overview

The Plan is a performance-linked stock compensation system under which the Board of Directors sets evaluation indicators in advance for a period determined by the Board (the “Evaluation Period”) for each eligible person. Based on the degree of achievement of such indicators during the Evaluation Period, the Company grants monetary compensation claims for the delivery of a calculated number of shares. By contributing these monetary compensation claims as in-kind contributions, the Company issues or disposes of its common stock to the eligible persons (hereinafter, “grants” such stock).

The Evaluation Period for the Units to be granted this time shall be from the fiscal year ending March 31, 2027 through the fiscal year ending March 31, 2031.

Other details regarding the Plan are as follows:

(1) Grant of Rights and Number of Rights under the Plan

Pursuant to a resolution of the Board of Directors, the Company shall grant Units to each eligible person. Each Unit corresponds to one share. The number of Units granted to each eligible person shall be calculated by dividing the standard compensation amount by position, as determined in advance by the Board of Directors, by the closing price of the Company’s common stock on the Tokyo Stock Exchange on the first day of the Evaluation Period (or, if no trading occurs on that day, the closing price on the first trading day immediately following said day). Any fractional amount less than one Unit shall be rounded down.

(2) Performance Conditions and Method of Calculating the Number of Shares to Be Granted

The performance indicators for vesting of the Units shall be the following five indicators on a consolidated basis for the Company group: net sales, EBITDA, ROIC, and ESG indicators deemed important by the Company, namely reduction of GHG emissions and occupational safety. In principle, the target values for each indicator set forth in the Company’s medium-term management plan shall be used as benchmarks, and vesting shall be conditional upon achieving a certain level of attainment.

The number of shares to be granted shall be calculated by multiplying the number of Units granted to each eligible person by the vesting ratio determined based on the level of achievement of the performance conditions. The vesting ratio shall be the total of the values obtained by multiplying the coefficient corresponding to the achievement level of each indicator by its evaluation weight, as shown below.

Indicator	Target	Achievement Level	Coefficient	Weight
Net Sales	¥750.0 billion	100–120%	100–150%	25%
		80–100%	80–100%	
		Below 80%	0%	

Indicator	Target	Achievement Level	Coefficient	Weight
EBITDA	¥170.0 billion	100–120%	100–150%	25%
		80–100%	80–100%	
		Below 80%	0%	
ROIC	10%	100–120%	100–150%	40%
		80–100%	80–100%	
		Below 80%	0%	
GHG Emissions Reduction	50% reduction (vs. FY2018)	80–100%	80–150%	5%
		Below 80%	0%	
Occupational Safety	Maintain zero serious industrial accidents	Zero serious industrial accidents	150%	5%
		One or more serious industrial accidents	0%	

(3) Method of Calculating the Amount of Monetary Compensation Claims

The amount of monetary compensation claims to be granted to each eligible person under the Plan shall be calculated by multiplying the final number of shares of the Company's common stock to be allocated to such eligible person (the "Final Allocated Shares") by a price that is not particularly favorable to the eligible person. This price shall be based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors' resolution determining offering matters related to the issuance or disposition of shares for such allocation, which will be held after the end of the Evaluation Period (the "Grant Resolution Date").

(4) Conditions for Granting the Company's Shares to Eligible Persons

The Company shall allocate the Final Allocated Shares to an eligible person after the end of the Evaluation Period if all of the following conditions are satisfied, or if the Board of Directors deems it necessary to achieve the purpose of the Plan:

1. The eligible person has continuously held the position of director or executive officer of the Company from the grant of the Units through the end of the Evaluation Period.
2. No misconduct specified by the Board of Directors has occurred.
3. Other conditions deemed necessary by the Board of Directors to achieve the purpose of the Plan have been satisfied.

If a director or executive officer is newly appointed during the Evaluation Period, the number of shares to be granted shall be reasonably adjusted based on length of service and other relevant factors.

If an eligible person passes away or resigns/retires for reasons deemed justifiable by the Board of Directors during the Evaluation Period, or if the eligible person relocates outside Japan after the grant of Units and is a non-resident of Japan as of the Grant Resolution Date, the Board of Directors may, within the total amount of the monetary compensation claims, pay a reasonably adjusted amount of cash in lieu of shares to such eligible person or his/her successor in interest.

(5) Outline of the Performance-Based Restricted Stock Allotment Agreement

① Transfer Restriction Period

The shares of the Company's common stock granted based on the Units (the "Allotted Shares") shall be subject to transfer restrictions. Eligible persons shall not transfer, create security interests in, or otherwise dispose of the Allotted Shares during the period from the date of allotment for a period ranging from three to thirty years, as determined in advance by the Board of Directors (the "Transfer Restriction Period"), pursuant to a performance-based restricted stock allotment agreement.

② Lifting of Transfer Restrictions

Notwithstanding the provisions of ① above, the Company shall lift transfer restrictions on all of the Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the eligible person has continuously held any of the following positions during the Transfer Restriction Period: director, executive officer not concurrently serving as director, auditor, advisor, counselor, or any other equivalent position at the Company or its subsidiaries.

If the eligible person resigns or retires from any such position prior to the expiration of the Transfer Restriction Period due to expiration of term, mandatory retirement, or other justifiable reasons (including death), the transfer restrictions on all of the Allotted Shares shall be lifted immediately upon such resignation or retirement.

(6) Treatment in the Event of Organizational Restructuring

If, during the Evaluation Period, a merger agreement in which the Company becomes a dissolving company, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or other matters relating to organizational restructuring are approved at a general meeting of shareholders of the Company (or by the Board of Directors, if shareholder approval is not required), Units for which vesting has not occurred as of such time shall, in principle, not be settled by the delivery of shares.

However, if approved by the Board of Directors, the Company may pay a reasonably adjusted amount of cash, calculated in accordance with the method for calculating monetary compensation claims and within the total amount thereof, to the eligible person or his/her successor in interest.

3. Date of Grant of Units

July 10, 2026

4. Method and Timing of Delivery of the Company’s Shares

After vesting, at the time determined by the Company, the Company shall deliver shares of its common stock corresponding to the number of vested Units through the issuance of new shares or the disposition of treasury shares pursuant to a resolution of the Board of Directors, in exchange for the in-kind contribution of the monetary compensation claims against the Company granted to the eligible persons.

If any fractional share of less than one share arises at the time of delivery of the Company’s shares, such fraction shall be rounded down.

The amount to be paid in per share of the Company’s common stock to be issued or disposed of under the Plan shall be determined, within the scope permitted by applicable laws and regulations and in a manner not particularly favorable to the eligible persons, based on the closing price of the Company’s common stock in regular trading on the Tokyo Stock Exchange on the business day immediately preceding the date of the Board of Directors’ resolution regarding such issuance or disposition (or, if no trading occurs on that day, the closing price on the most recent preceding trading day).

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