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Editorial Policy

The Daicel Group aspires to realize its Basic Philosophy of becoming "the company making lives better by co-creating value," and it continues to conduct its businesses with a view to both improving social sustainability and enhancing medium- to long-term corporate value. Aimed at providing our shareholders, investors, and many other stakeholders with a better understanding of the Daicel Group and a tool for communication, this report is a concise consolidation of financial and non-financial information that is highly relevant to our medium- to long-term value creation story. In editing our reports and website, we have taken care to disclose information in ways that are easy to read, easy to understand, and forthcoming.

Disclosure Structure for Financial and Non-Financial Information

DAICEL REPORT 2023
(Integrated Report)

Management's approach, vision for the future, strategy and initiatives are compiled and disclosed in a consistent format. In order to provide a simple account of how we create value, we will discuss sustainability and materiality by incorporating items that are deeply connected to our Long-Term Vision and Mid-Term Management Strategy.

<https://www.daicel.com/en/sustainability/library.html>

Related Web Content

Sustainability Website <https://www.daicel.com/en/sustainability/>

More detailed and comprehensive information about sustainability is sorted and presented under the items of Environment (E), Society (S), and Governance (G).

Sustainability Report <https://www.daicel.com/en/sustainability/library.html>

Information on "Sustainability Website" as of the end of August every year is available in PDF format in the Archives.

ESG Data <https://www.daicel.com/en/sustainability/library.html>

Only the detailed data regarding our sustainability initiatives is aggregated and presented.

Corporate Governance Report <https://www.daicel.com/en/sustainability/governance/>

Investor Relations Information Website <https://www.daicel.com/en/ir/>

Contains financial information such as Financial Results and Financial Result Presentation Materials mainly for the reference of investors, shareholders and many other stakeholders.

Securities Report (Japanese only) <https://www.daicel.com/ir/annualreport.html>

At a glance <https://www.daicel.com/en/ir/glance.html>

Presents the overview, history and strengths of the Daicel Group in a simple format.

Corporate Website <https://www.daicel.com/en/>

Long-Term Vision <https://www.daicel.com/en/plan/>

Mid-Term Management Strategy <https://www.daicel.com/en/plan/>

Businesses & Products <https://www.daicel.com/en/business/>

Entities within the Scope of Reporting

The Daicel Group consists of Daicel Corporation and 75 Group companies. The following terminologies are used in this report.

- Daicel Group/The Group: Daicel Corporation and its subsidiaries
- Daicel/The Company: Daicel Corporation
- Group companies: Subsidiaries of Daicel Corporation

The scope of the Group companies for reporting varies depending on the content of the initiatives. Refer to the following for more details.

Scope of Reporting for Human Resources and Governance Data
<https://www.daicel.com/en/sustainability/other/boundary.html>

Reporting Period

FY2023/3 (April 2022 to March 2023)
* Includes some content outside the reporting period

Guidelines Used for Reference

- IFRS, "International Integrated Reporting Framework"
- Ministry of Economy, Trade and Industry (METI), "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation"
- GRI, "The GRI Sustainability Reporting Standards 2016/2018/2019/2020"

Scope of Data Calculation for Environmental and Occupational Safety Performance
<https://www.daicel.com/en/sustainability/other/responsible.html>

Basic Philosophy and Sustainable Management Policy

Basic Philosophy

The company making lives better by co-creating value

Sustainable Value Together



Compression process of celluloid, Daicel's founding business



Celluloid manufacturing test equipment (press machine)

In the 1900s, Japan began producing raw materials for celluloid, which was applied to a broad range of household items that improved the quality of people's lives. However, the special procurement boom caused by World War I led to a proliferation of domestic celluloid manufacturers and intense competition, resulting in a decline in quality from the mass production of inferior products and the indiscriminate felling of camphor trees.

Eight leading manufacturers concerned about the situation sought to restructure the industry by merging to form Dainippon Celluloid Co., Ltd., the predecessor of today's Daicel Corporation. This merger made it possible to manage raw material resources, stabilize production and quality, and nurture processing companies in the downstream industry, thereby laying the foundation for a manufacturer boasting the top share of global celluloid shipments. Furthermore, research for fireproofing celluloid, which was conducted alongside the merger, laid the foundation for developing a chemical industry in Japan that generates diverse materials.

While Daicel's business and organization have significantly changed since its founding a hundred years ago, the spirit of applying the power of chemistry to improve daily life has remained unchanged.

Just as the eight celluloid manufacturers joined hands to enrich society, the Daicel Group will work with customers and partners to develop a sustainable society. Moreover, we will continue to change the future for the better through the power of chemistry by remaining true to our aspirations as a company that make lives better by co-creating value.

Sustainable Management Policy

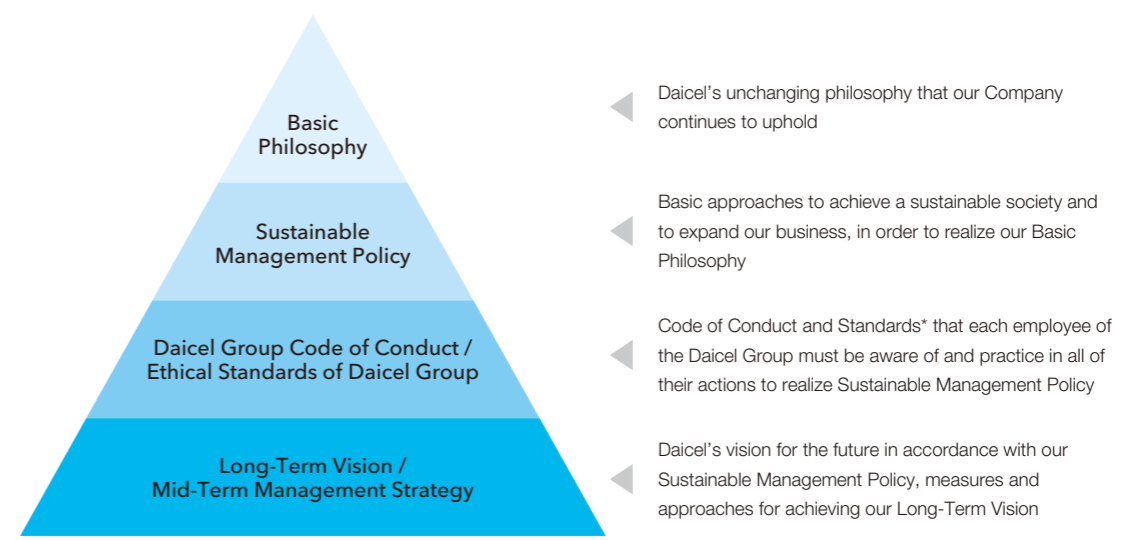
Upon a firm foundation of safety, quality and compliance, the Daicel Group will realize our Basic Philosophy by both contributing to the establishment of a sustainable society and pursuing business growth with integrity, tireless efforts and self-transformation.

We create and provide people with new values to achieve better quality of life.

We construct a circular process with all our stakeholders to make harmonious coexistence with the environment.

We promote "people-centered management" that enables all our diverse employees to grow while establishing their own presence and achieving fulfillment.

Corporate Philosophy



* In response to the quality misconduct observed at the third-party certification, we reaffirmed the importance of safety, quality, and compliance, and reviewed the Code of Conduct and Ethical Standards to ensure thorough implementation throughout the Group.