

This document is an English translation of a statement written originally in Japanese for reference. The Japanese original should be considered as the primary version.

May 9, 2024

To whom it may concern,

Company Name: DAICEL CORPORATION
Representative: Yoshimi Ogawa, President and CEO
(Code: 4202, Prime Market of the Tokyo Stock Exchange)
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Notice Concerning Change in Shareholder Return Policy (DOE index introduction)

DAICEL CORPORATION (The “Company”) hereby announces at the Board of Directors meeting held today, that it has decided to change the shareholder return policy as detailed below.

1. Reason for the change

Daicel’s basic dividend policy is to distribute profits in a balanced manner that comprehensively considers maximizing asset efficiency, realizing optimal capital structure, securing soundness to maintain fund raising capacity, and stable dividends reflecting the consolidated business results.

In our Mid-Term Management Strategy “Accelerate 2025” (from the fiscal year ended March 2021 to the fiscal year ending March 2026), we are targeting a total return ratio of 40% or more with the annual dividend of 2020 (32 yen per share) as the lower limit and the Company have increased dividends and continued to acquire treasury stock since the fiscal year ending March 2021.

The Company has decided to introduce DOE (dividend on equity) as a new indicator in addition to a total return ratio, in order to clarify our stance on paying stable dividends.

2. Details of the change

(1) Before change

- The target is a total return ratio of 40% or more each fiscal year with the annual dividend 32 yen per share as the lower limit.
- Implement share buybacks in a flexible manner.

(2) After change

- Regarding dividends, we aim for a DOE (dividend on equity ratio) of 4% or more.

- The target is a total return ratio of 40% or more each fiscal year.
- Implement share buybacks in a flexible manner.

3. Timing of the change

The change will be applied from fiscal year ending March 2025.

(Reference)

The dividend for fiscal year ending March 2025 is currently scheduled to be 55 yen per share (DOE 4.0%), an increase of 5 yen from the previous fiscal year.

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