



June 20, 2024

To Whom It May Concern:

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Notice Concerning the Disposal of Treasury Shares as “Restricted Stock”

Teijin Limited (the “Company”) hereby announces that it determined in the resolution of the Board of Directors Meeting on June 20, 2024 to dispose of treasury shares (the “Disposal of Treasury Shares” or the “Disposal”). The details are as follows.

1. Overview of the Disposal

(1) Payment date	July 17, 2024
(2) Class and number of shares for the Disposal	101,615 ordinary shares of the Company
(3) Disposal price	¥1,391 per share
(4) Total value of the Disposal	¥141,346,465
(5) Persons eligible for allotment of shares and number thereof, and number of shares for allotment	Directors (excluding the Chairperson of Teijin Limited, Member of the Board, Senior Advisor, Member of the Board, Mission Executive, Member of the Board and Outside Directors), 3 persons, 13,228 shares Teijin Group Corporate Officers not concurrently serving as Directors, 12 persons, 30,583 shares Mission Executives, 6 persons, 16,314 shares Executive Officers of overseas Teijin Group companies, 11 persons, 41,490 shares
(6) Other	The Disposal of Treasury Shares is conditional on the securities registration statement in accordance with the Financial Instruments and Exchange Act coming into effect.

2. Purpose and Reasons for the Disposal

The Company has introduced “Restricted Stock Plan” (hereinafter the “Plan for Eligible Directors”) which was approved by resolution of the 158th Ordinary General Meeting of Shareholders held on June 20, 2024 and by resolution of the Board of Directors Meeting held on the same day, for the purpose of granting incentives to Directors who concurrently serve as Teijin Group Corporate Officers, Teijin Group Corporate Officers who do not concurrently serve as Directors of the Company and Mission Executives (hereinafter the “Eligible Directors”) toward achievement of the Company’s Medium-Term Management Plan and increasing corporate value over the medium to long term, as well as further aligning shared values with stakeholders and promoting motivation to contribute to increasing the Company’s stock value by enhancing the operability of the stock compensation plan. Also, for Teijin Group Corporate Officers who do not concurrently serve as

Directors of the Company, Mission Executives and Executive Officers of overseas Teijin Group companies who belong to overseas Teijin Group companies (hereinafter “Overseas RS Allottees”), the Company has introduced “Restricted Stock Plan” (hereinafter the “Plan for Overseas RS Allottees”) which was approved by resolution of the Board of Directors Meeting held on June 23, 2021 for the purpose of granting incentives to toward achievement of the Company’s Medium-Term Management Plan and increasing corporate value over the medium to long term, as well as further aligning shared values with stakeholders.

Based on the Plan for the Eligible Directors and the Plan for Overseas RS Allottees (hereinafter the “Plans”), the Disposal is being implemented by resolution of the Board of Directors Meeting held on June 20, 2024.

According to the Plans, the Company’s common stock subject to the Disposal shall be treasury shares disposed of for contribution in kind as investment assets for acquisition of Restricted Shares for monetary claims paid to planned Eligible Directors and Overseas RS Allottees (hereinafter “Restricted Stock Remuneration”) for the fiscal year from April 1, 2024 through March 31, 2025. In addition, the Company plans to conclude a Restricted Stock Allotment Agreement (hereinafter “Allotment Agreement”) with planned Eligible Directors and Overseas RS Allottees that includes the following details.

3. Outline of the Allotment Agreement with Eligible Directors

(1) Transfer Restriction Period

From July 17, 2024 until the time immediately after retiring or resigning from the positions of Director of the Company (including the Chairperson of Teijin Limited, Member of the Board, Senior Advisor, Member of the Board, Mission Executive, Member of the Board and Outside Directors), Teijin Group Corporate Officer, Mission Executive or Statutory Auditor (hereinafter “Transfer Restriction Period”), Restricted Shares that have been allotted through the Allotment Agreement (hereinafter “Allotted Restricted Shares”) shall not be transferred, used for creation of security interests, or otherwise disposed of (hereinafter “Transfer Restrictions”). However, if the moment of retirement or resignation comes before three (3) months after the end of the fiscal year where the Allotted Restricted Shares was granted, due to resignation apart from for a valid reason such as expiration of his or her term of office, reaching retirement age, death or other justifiable reason, the end date of the Transfer Restriction Period will be right after the date three (3) months after the end of the fiscal year.

(2) Conditions for Lifting Transfer Restrictions

During the period from June 20, 2024 until immediately before conclusion of the first Ordinary General Meeting of Shareholders which comes after that (hereinafter the “Service Period”), if Eligible Directors have continuously held the position of Director of the Company (including the Chairperson of Teijin Limited, Member of the Board, Senior Advisor, Member of the Board, Mission Executive, Member of the Board and Outside Directors), Teijin Group Corporate Officer, Mission Executive or Statutory Auditor (however, for Eligible Directors who as of today are Teijin Group Corporate Officers or Mission Executives who do not concurrently serve as Directors of the Company, the period shall be April 1, 2024 through March 31, 2025, the same applies hereinafter), Transfer Restrictions on all of the Allotted Restricted Shares will be lifted upon expiration of the Transfer Restriction Period.

(3) Treatment in the event an Eligible Director retires or resigns during the Service Period for a valid reason such as expiration of his or her term of office, reaching retirement age, death or other justifiable reason (this does not include an Eligible Director’s personal reason)

(i) Timing of Lifting Transfer Restrictions

Prior to the expiration of the Service Period, in the event an Eligible Director retires or resigns the position of Director of the Company (including the Chairperson of Teijin Limited, Member of the Board, Senior Advisor, Member of the Board, Mission Executive, Member of the Board and Outside Directors), Teijin Group Corporate Officer, Mission Executive or Statutory Auditor for a valid reason such as expiration of his or her term of office, reaching retirement age, death or other justifiable reason, Transfer Restrictions shall be lifted immediately after the retirement or resignation of the Eligible Director.

(ii) Number of Shares Subject to the Lifting of Transfer Restrictions

The number of shares subject to the lifting of Transfer Restrictions shall be equal to the number of Allotted Restricted Shares held at the time of retirement or resignation specified in (i) above multiplied by the number of months from the

month that includes the start date of the Service Period to the month the Eligible Director retires or resigns (however, if the days in office do not make a full month, it shall not be considered one month) divided by 12 (in the event it exceeds one, it shall be regarded as one), rounding off in the event a fraction of less than one share is generated.

(4) Acquisition Without Contribution by the Company

The Company shall, as a matter of course, acquire the Allotted Restricted Shares for which Transfer Restrictions will not be lifted at the time when the Transfer Restriction Period expires or when the Transfer Restrictions are lifted as specified in (3) above, without contribution. In addition, during the Transfer Restriction Period, if the Eligible Director is sentenced to imprisonment or heavier punishment (including custodial sentence after June 1, 2025), or if the Eligible Director starts proceedings to file for bankruptcy, or in the event the Company's CEO determines that the Eligible Director has engaged in business that competes with the Teijin Group's business without prior written consent, or determines that he or she has plans to do so after retirement or resignation (in case the Eligible Director is the CEO, if it is determined by resolution of the Board of Directors, the same applies hereinafter), or in the event the CEO determines the Eligible Director has violated laws and regulations, or internal rules of the Company etc., or in the event of such circumstances, all of the Allotted Restricted Shares can be acquired without contribution by the Company as a matter of course.

(5) Management of the Shares

The Allotted Restricted Shares shall be managed in dedicated accounts opened by Eligible Director at a securities company in order to prevent transfers, creation of security interests, or other disposal of the shares during the Transfer Restriction Period.

The Company has concluded agreements with the relevant securities company related to the management of the accounts for the Allotted Restricted Shares held by each Eligible Director to ensure the effectiveness of the Transfer Restrictions, etc. relating to the Allotted Restricted Shares. In addition, the Eligible Directors shall consent to the management of the accounts.

(6) Handling of Organizational Restructuring, etc.

If during the Transfer Restriction Period, a merger agreement in which the Company is the dissolved company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other organizational restructuring, etc., are approved at a General Meeting of Shareholders of the Company (however, if said organizational restructuring, etc. does not require approval at a General Meeting of Shareholders of the Company, the Board of Directors of the Company), the Board of Directors shall resolve to lift the Transfer Restrictions as of the time immediately prior to a business day before the effective date of the organizational restructuring, etc. for the following number of shares. The number of shares subject to the lifting of Transfer Restrictions shall be equal to the number of Allotted Restricted Shares held at the time of the resolution multiplied by the number obtained by dividing the number of months from the month that includes the start date of the Service Period to the month that includes the date of the approval (however, if the days in office do not make a full month, it shall not be considered one month) by 12 (if the number obtained is larger than one, it is taken as one; However, as a result of the calculation, in the event a fraction of less than one share is generated, it shall be rounded off.). In addition, the Company shall automatically acquire without contribution all of the Allotted Restricted Shares which Transfer Restrictions have not been lifted upon this lifting of Transfer Restrictions.

4. Outline of the Allotment Agreement with Overseas RS Allottees

The Allotment Agreement of Restricted Shares to be allotted to Overseas RS Allottees (one (1) Teijin Group Corporate Officer, two (2) Mission Executives and 11 Executive Officers of overseas Teijin Group companies) shall be equivalent to 3. above, however, the Transfer Restriction Period shall be one (1) year from July 17, 2024 to July 16, 2025 taking into consideration the situation of share-based remuneration plans in countries other than Japan. During the Transfer Restriction Period, if Teijin Group Corporate Officers, Mission Executives and Executive Officers of overseas Teijin Group companies who will retire from any of the above positions due to expiration of term, retirement age, death or other justifiable reasons, it will be handled according to 3.(3). However, in consideration of the tax payment time in countries other than Japan, the Transfer Restrictions can be lifted during the Transfer Restriction Period for the portion of the Allotted Restricted Shares

equivalent to the tax payment amount based on the Allotment Agreement.

During the Transfer Restriction Period, the Allotted Restricted Shares will be placed and managed in a dedicated account at a securities company opened by a company in charge of custody and trading or Overseas RS Allottees so that the Allotted Restricted Shares cannot be transferred, used for creation of security interests, or otherwise disposed of. The Company has concluded contracts with said company in charge of custody and trading and said securities company in connection with management of the relevant account in order to ensure the effectiveness of the Transfer Restrictions, etc. relating to the Allotted Restricted Shares. In addition, Overseas RS Allottees agree to details of management of said account.

5. Basis of Calculation and Details of Paid-In Amount

The Disposal of Treasury Shares for the planned allottees shall be conducted with monetary claims, which were paid to the Eligible Directors and Overseas RS Allottees based on the Plans as Restricted Stock Remuneration for the 159th fiscal period of the Company (April 1, 2024 to March 31, 2025), to be treated as property contributed in kind. To eliminate any arbitrariness in the Disposal price, ¥1,391 is used as the Disposal price which is the closing price of ordinary shares of the Company on the Prime Market of the Tokyo Stock Exchange on June 19, 2024 (the business day before the date of the resolution of the Board of Directors). This is the market price of the shares immediately before the date of the resolution of the Board of Directors and is considered to be rational and not particularly favorable to the Eligible Directors and Overseas RS Allottees.

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