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June 27, 2024

To whom it may concern:

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Securities Code: 6976
Listing: Tokyo Stock Exchange (Prime Market)
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Notice of Disposal of Treasury Stock as Restricted Stock Remuneration

At the meeting of the Board of Directors held today, TAIYO YUDEN CO., LTD. (the “Company”) resolved to dispose of treasury stock as restricted stock remuneration (hereinafter referred to as the “Disposal of Treasury Stock”) as described below.

DETAILS

1. Overview of the Disposal

(1)	Payment date	July 18, 2024
(2)	Class and number of shares to be disposed	15,352 shares of the common stock of the Company
(3)	Disposal price	4,022 yen per share
(4)	Total value of shares to be disposed	61,745,744 yen
(5)	Planned recipients of disposal	Directors of the Company (*): 3 persons, 4,921 shares Operating Officers of the Company: 12 persons, 10,431 shares * Excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors.

2. Purpose and Reason for the Disposal

The Company has obtained an approval to introduce a stock remuneration system (hereinafter referred to as the “System”) at the 83rd Ordinary General Meeting of Shareholders of the Company held on June 27, 2024. The purpose of the System is to provide incentives to continuously improve the corporate value of the Company, and to promote the further sharing of value with shareholders. The stock of this System shall be common stock of

the Company which will have restrictions on its transfer for a certain period and conditions for acquisition by the Company without charge (hereinafter referred to as the “restricted stock”). Under the System, Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members and Non-executive Directors including Outside Directors. Hereinafter referred to as the “Eligible Directors”) will receive delivery of restricted stock that is subject to the condition of a certain period of continuous service (hereinafter referred to as “restricted stock by position”) and delivery of restricted stock of a number that corresponds to the degree of attainment of performance indicators for each fiscal year, which is taken as the performance evaluation period (hereinafter referred to as “performance-based post-delivery restricted stock”). The total amount of monetary remuneration claims to be paid to Eligible Directors as remuneration for restricted stock under the System shall not exceed 50 million yen per year for restricted stock by position (the total number of shares of restricted stock by position to be allotted in any fiscal year shall be limited to 12,500 shares), and 150 million yen per year for performance-based post-delivery restricted stock (the total number of shares of performance-based post-delivery restricted stock to be allotted in any fiscal year shall be limited to 37,500 shares). The duration of restrictions on the transfer of the restricted stock by position and performance-based post-delivery restricted stock shall be from the date of delivery of the restricted stock to the date when the Eligible Director’s positions of Director and Operating Officer of the Company are both lost.

Today, the Board of Directors of the Company resolved that the Company shall pay a total of 61,745,744 yen in monetary remuneration claims as restricted stock remuneration by position for the period from July 1, 2024 to March 31, 2025 (hereinafter referred to as the “Service Provision Period”) to 3 Directors and 12 Operating Officers who are the planned recipients of the disposal (hereinafter referred to as the “Allottee(s)”), and to allot 15,352 shares of the Company’s common stock as specified restricted stock, with the Allottees to benefit from all such monetary remuneration claims by way of contribution in kind. The amount of monetary remuneration claims for each Allottee is determined in comprehensive consideration of general matters such as the level of contribution of each Allottee at the Company. In addition, such monetary remuneration claims will be granted subject to the condition that each Allottee enters into a restricted stock allotment agreement (hereinafter referred to as the “Allotment Agreement”) with the Company that, in general terms, includes the following matters.

3. Overview of the Allotment Agreement

(1) Restriction Period

During the period from July 18, 2024 to the date of the Allottee’s positions of Director and Operating Officer of the Company are both lost (or July 1, 2025 if the day of such loss is on or before June 30, 2025) During the restriction period set forth above (hereinafter referred to as the “Restriction Period”), the Allottee may not transfer, pledge, grant a security interest in, or make a living gift, bequest, or otherwise dispose of the restricted stock by position (hereinafter referred to as the “Allocated Stock”) allotted to the Allottee to any third party (hereinafter referred to as the “Restrictions”).

(2) Acquisition of restricted stock without charge

If an Allottee’s positions of Director and Operating Officer of the Company are both lost before the expiration of the Service Provision Period, the Company shall acquire as a matter of course the Allocated

Stock without charge as of the time of such forfeiture, unless there is a reason that the Board of Directors of the Company deems justifiable.

In addition, if any of the Allocated Stock have not been released from the Restrictions in accordance with the conditions for lifting the Restrictions provided in (3) below at the time the Restriction Period expires (hereinafter referred to as the "Date of Expiration"), the Company shall acquire as a matter of course such Allocated Stock without charge as of the time immediately following the Date of Expiration.

(3) Lifting of Restrictions

On the condition that the Allottee has continuously held the position of either Director or Operating Officer of the Company during the Service Provision Period, upon the Date of Expiration, the Company shall lift the Restrictions on all of the Allocated Stock held by the Allottee at that time.

However, if the Allottee's positions of Director and Operating Officer of the Company are both lost prior to the expiration of the Service Provision Period for reasons deemed justifiable by the Board of Directors of the Company, then the Company shall lift the Restrictions on the Allocated Stock immediately following said forfeiture for a proportion of the Allocated Stock calculated by dividing the number of months from July 2024 to the month of the date on which the Director or Operating Officer forfeits their position by 9, multiplied by the number of Allocated Stock held by the Allottee at that time (however, should the calculation result in a fractional share, this shall be rounded down).

(4) Provisions concerning the management of stock

The Allottee shall open an account with SMBC Nikko Securities Inc. to enter or record the Allocated Stock in a manner designated by the Company, and shall keep and maintain the Allocated Stock in such account until the Restrictions are lifted.

(5) Treatment during reorganization, etc.

If, during the Restriction Period, a proposal relating to a merger agreement in which the Company is the dissolving company, a stock exchange agreement or stock transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. is approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall, by a resolution of the Board of Directors, lift the Restrictions on the Allocated Stock as of the business day immediately preceding the effective date of the reorganization, etc., for a proportion of the Allocated Stock calculated by dividing the number of months from July 2024 to the month of the date of the approval by 9 (however, if the calculation exceeds 1, the number shall be considered to be 1), multiplied by the number of Allocated Stock held by the Allottee on the date of the approval (however, should the calculation result in a fractional share, this shall be rounded down).

In this case, the Company, on the business day preceding the effective date of the reorganization, etc., shall acquire as a matter of course all Allocated Stock for which the Restrictions have not been lifted without charge as of said date in accordance with the provisions stated above.

4. Basis for calculation of the amount to be paid in and specifics thereof

In order to eliminate arbitrariness in pricing, the disposal price for the Disposal of Treasury Stock shall be set at 4,022 yen, which is the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution by the Board of Directors of the Company (June 26, 2024). This is the market share price immediately prior to the date of the Company's Board of Directors' resolution, and we consider this to be a reasonable and not particularly favorable price.