

NEWS RELEASE**Teijin Revises Internal Carbon Pricing System**

Tokyo, Japan, April 3, 2023 --- [Teijin Limited](#) announced today that it has revised its internal carbon pricing (ICP) system to support capital-investment decisions across the group, effective from April. The ICP mechanism creates economic incentives to reduce CO₂ emissions by quantifying such emissions as a cost that the company must consider when making investments, ultimately to help address the problem of climate change. In January 2021, Teijin began implementing an ICP system for all capital investments that were expected to affect inhouse CO₂ emissions.

Teijin's new ICP system

Category	Current system	New system
Inhouse CO ₂ emissions (Scopes 1 and 2)	Capital investments	- Capital investments - (NEW) M&A projects - (NEW) Long-term sourcing of renewable energy, etc.
CO ₂ emissions in supply chain (Scope 3 Category1)	N/A	(NEW) Capital investments
Pricing (worldwide)	EUR 50/ton-CO ₂	(REVISED) EUR 100/ton-CO ₂

Under the revision, Teijin has raised its internal carbon price from EUR 50/ton to EUR 100/ton, which better reflects the increased risks of carbon taxes being introduced and rising tax rates as well as higher emissions-trading prices in various countries, especially in Europe.

Teijin will expand the application of its pricing system for inhouse CO₂ emissions to include investments such as M&A, as well as decisions related to reducing emissions that do not necessarily involve capital investment, such as switching to renewable energy. In addition, with regard to indirect emissions from partners in the company's upstream value chain (Scope 3 Category 1), the revised ICP will be applied to capital investments for switching to recycled or biomass-derived raw materials purchased from other companies, thereby encouraging to reduce CO₂ emissions throughout the supply chain.

With the revised ICP system, Teijin expects to be able to respond to the increasing risks of CO₂ emissions as well as continue to further initiatives aimed at achieving the company's long-term goal of net-zero internal emissions by fiscal 2050.

About the Teijin Group

Teijin (TSE: 3401) is a technology-driven global group offering advanced solutions in the fields of environmental value; safety, security and disaster mitigation; and demographic change and increased health consciousness. Originally established as Japan's first rayon manufacturer in 1918, Teijin has evolved into a unique enterprise encompassing three core business domains: high-performance materials including aramid, carbon fibers and composites, and also resin and plastic processing, films, polyester fibers and products converting; healthcare including pharmaceuticals and home healthcare equipment for bone/joint, respiratory and cardiovascular/metabolic diseases, nursing care and pre-symptomatic healthcare; and IT including B2B solutions for medical, corporate and public systems as well as packaged software and B2C online services for digital entertainment. Deeply committed to its stakeholders, as expressed in the brand statement "Human Chemistry, Human Solutions", Teijin aims to be a company that supports the society of the future. The group comprises some 170 companies and employs some 20,000 people across 20 countries worldwide. Teijin posted consolidated sales of JPY 926.1 billion (USD 7.2 billion) and total assets of JPY 1,207.6 billion (USD 9.4 billion) in the fiscal year that ended on March 31, 2022.

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