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To whom it may concern:

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Notice Concerning Revision of Restricted Stock Remuneration Plan and Performance-linked Stock Remuneration Plan for Directors of the Company

Teijin Limited (“the Company”) hereby announces that at the Board of Directors meeting held today, the Company resolved to revise the executive remuneration plans and to abolish the current share-based remuneration plans of Restricted Stock and Performance Share Units, and to introduce new share-based remuneration plans of Restricted Stock Remuneration Plan and Performance-linked Stock Remuneration Plan (hereinafter collectively referred to as the "New Plans") for directors of the Company who also serve as Teijin group corporate officers (hereinafter referred to as the "Eligible Directors").

In line with the above-mentioned amendments, the Company hereby announces that it will submit a proposal related to the New Plans to the 158th Ordinary General Meeting of Shareholders (hereinafter the "General Meeting of Shareholders") to be held on June 20, 2024 as described below.

1. Introduction of the New Plans

(1) Purpose of introducing the New Plans

The New Plans aim to further strengthen corporate value creation from the viewpoint of corporate governance and stakeholders as well as from a medium- to long-term perspective (sustainability, ESG) for the Eligible Directors. In addition, it aims to enhance Eligible Directors to contribute to increasing the value of the Company’s shares by introducing a system for covering tax payment funds when transfer restrictions are lifted and improving the operability of the share-based remuneration plans.

(2) Preconditions for introducing the New Plans

The introduction of the New Plans shall be subject to shareholder approval for the payment of relevant remuneration at the General Meeting of Shareholders as it will pay monetary claims for the issuance or disposal of the Company's common stock and cash based on stock units to the Eligible Directors under the New Plans.

2. Outline of the New Plans

Under the New Plans, monetary claims shall be paid to issue or dispose of the Company's common stocks with the condition that the transfer restrictions are lifted at the time of retirement. At the same time as the payment of the monetary claims, stock units* shall be granted in order to eliminate the need to sell the Company's common stock for the purpose of securing funds for tax payments when the transfer restrictions are lifted. The stock units shall be converted to cash and paid in principle at the same time as the transfer restrictions on the shares granted under the New Plans is lifted. The cash amount shall be calculated by multiplying the number of such stock units by the closing price of the Company's common stock on the Tokyo Stock Exchange on the date of which the transfer restrictions are lifted (or the closing price on the trading day immediately prior thereto if there is no trading on the relevant business day; hereinafter referred to as the "Share Price on the

date of which the transfer restrictions are lifted").

(*) A stock unit shall be equivalent to the stock price per share of the Company's common stock. The actual amount of cash to be paid shall be calculated by multiplying the number of stock units granted by Share Price on the date of which the transfer restrictions are lifted in principle.

The issuance or disposal of the Company's common stock and the payment of monetary claims in the form of property contributed in-kind as well as the grant of stock units and the payment of cash based on the stock units under the New Plans shall be conditional that an agreement on the allotment of Restricted Stock Remuneration or Performance-linked Stock Remuneration is concluded between the Company and the Eligible Director.

At the 155th Ordinary General Meeting of Shareholders held on June 23, 2021, the maximum annual remunerations for directors of the Company has been resolved: (1) 630 million yen for monetary remuneration (including the maximum annual remuneration of 100 million yen for outside directors); (2) 70 million yen for Restricted Stock Remuneration (the maximum annual number of the Company's common stock to be issued or disposed of shall be 50,000 shares); and (3) 300 million yen for Performance Share Units (the maximum annual number of the Company's common stock to be issued or disposed of shall be 200,000 shares).

With the introduction of the New Plans, the remuneration to be paid to Eligible Directors shall be in principle monetary claims (stock part) and cash (stock unit part), and the monetary claims for the issuance or disposal of the Company's common stock as well as cash based on stock units to secure funds for tax payment shall be paid separately from the other types of monetary remunerations.

Under the New Plans, the maximum annual remuneration for Restricted Stock Remuneration shall be 35 million yen for stock part (the maximum annual number of the Company's common stock to be issued or disposed of shall be 25,000 shares) and 35 million yen for stock unit part (the maximum annual amount of cash to be paid based on stock units shall be 35 million yen). Also, the maximum annual remuneration for Performance-linked Stock Remuneration shall be 150 million yen for stock part (the maximum annual number of the Company's common stock to be issued or disposed of shall be 100,000 shares) and 150 million yen for stock unit part (the maximum annual amount of cash to be paid based on stock units shall be 150 million yen).

The maximum annual amount of monetary remuneration for directors remains unchanged at 630 million yen (including the maximum annual remuneration of 100 million yen for outside directors).

[Reference]

In the event that shareholder approval for the introduction of the New Plans is received, the Company plans to pay the share-based remuneration under the New Plans to Teijin Group corporate officers who do not concurrently serve as directors of the Company and employees of Teijin Group Companies in addition to Eligible Directors by resolution of the Company's Board of Directors.

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