



June 25, 2025

To Whom It May Concern:

Company: Teijin Limited  
 Representative: Akimoto Uchikawa, President and CEO  
 Stock code: 3401 (Prime Market, Tokyo Stock Exchange)  
 Contact: Tetsuji Mikami, Deputy General Manager,  
 Corporate Communication Department  
 (Responsible for Investor Relations)  
 TEL.:+81-3-3506-4395

## **Notice Concerning the Disposal of Treasury Shares as “Restricted Stock” and “Performance Share Units”**

Teijin Limited (the “Company”) hereby announces that it determined in the resolution of the Board of Directors Meeting on June 25, 2025 to dispose of treasury shares (the “Disposal of Treasury Shares” or the “Disposal”). The details are as follows.

### 1. Overview of the Disposal

#### (1) Restricted Stock

(1) Payment date	July 22, 2025
(2) Class and number of shares for the Disposal	87,815 ordinary shares of the Company
(3) Disposal price	¥1,165.5 per share
(4) Total value of the Disposal	¥102,348,383
(5) Persons eligible for allotment of shares and number thereof, and number of shares for allotment	Directors (excluding Outside Directors), 3 persons, 18,083 shares Teijin Group Corporate Officers, 12 persons, 34,567 shares Mission Executives, 5 persons, 19,434 shares Executives of overseas Teijin Group company, 4 persons, 15,731 shares
(6) Other	The extraordinary report regarding the Disposal of Treasury Shares has been submitted in accordance with the Financial Instruments and Exchange Act.

#### (2) Performance Share Units

(1) Payment date	July 22, 2025
(2) Class and number of shares for the Disposal	83,273 ordinary shares of the Company
(3) Disposal price	¥1,165.5 per share
(4) Total value of the Disposal	¥97,054,682
(5) Persons eligible for allotment of shares and	Directors (excluding Outside Directors), 3 persons, 15,670 shares Teijin Group Corporate Officers, 9 persons, 21,717 shares

number thereof, and number of shares for allotment	Mission Executives (including one (1) retired member), 9 persons, 33,920 shares Executives of overseas Teijin Group company, 4 persons, 11,966 shares
(6) Other	The extraordinary report regarding the Disposal of Treasury Shares has been submitted in accordance with the Financial Instruments and Exchange Act.

## 2. Purpose and Reasons for the Disposal

The Company has introduced the Restricted Stock Plan and the Performance Share Units Plan for Directors who concurrently serve as Teijin Group Corporate Officers, Teijin Group Corporate Officers and Mission Executives (hereinafter collectively referred to as the “Eligible Directors”) (such stock compensation plans are hereinafter collectively referred to as the “Plans for Directors”). The Plans for Eligible Directors are intended to align with the viewpoint of corporate governance and stakeholders and to further strengthen corporate value creation from a medium- to long-term perspectives (sustainability, ESG), as well as to increase the motivation to contribute to increasing the Company’s stock value by adopting an approach to take into account the funds for tax payable upon the time of release of transfer restrictions and enhancing the operability of the stock compensation plans. They also aim to establish the Company’s executive compensation system as a global company, considering the Eligible Directors subject to overseas compensation plans (i.e., Eligible Directors who have also concluded employment contracts, etc. with Teijin Group companies outside Japan and originally belong to those companies) (hereinafter referred to as the “Eligible Directors subject to overseas plans”).

In addition, separately from the Plans for Directors, the Company has introduced the Restricted Stock Plan and the Performance Share Units Plan for Mission Executives who have concluded employment contracts, etc. with Teijin Group companies outside Japan and originally belong to those companies (excluding Eligible Directors subject to overseas plans) and Executives of overseas Teijin Group companies who belong to Teijin Group companies outside Japan (hereinafter referred to as “Overseas Allottees”) (such stock compensation plans are hereinafter collectively referred to as the “Plans for Overseas Allottees”, and together with the Plans for Directors, collectively referred to as the “Plans”). The Plans for Overseas Allottees are intended to provide incentives toward achievement of the Company’s Medium-Term Management Plan and increasing corporate value over the medium to long-term, as well as to further align shared values with stakeholders.

The Disposal of Treasury Shares will be carried out based on a resolution of the Board of Directors adopted on June 25, 2025, in accordance with the Plans for Eligible Directors (including Eligible Directors subject to overseas plans) and Overseas Allottees (hereinafter collectively referred to as the “Allottees”).

The outline of the Plans are as follows.

## 3. Outline of the Plans

### (1) Restricted Stock Plan

#### 1) Outline of Restricted Stock Plan

##### Restricted Stock Plan for Directors

This is an advance-allotment type share-based compensation plan under which the Company delivers its ordinary shares and provide share units to the Eligible Directors for each fiscal year, as compensation for the execution of duties during a service period set in advance by the Company’s Board of Directors. The share units are provided for the purpose of securing funds for tax payments arising upon the release of transfer restrictions on the Company’s ordinary shares or delivery of the Company’s ordinary shares. Each share unit entitles the Eligible Directors to receive a cash payment equivalent to the share price per the Company’s ordinary shares.

The allocation ratio between the Company’s ordinary shares and share units is determined based on the tax systems of each country. The proportion of the Company’s ordinary shares delivered ranges from 50% to 100%, with the remainder allocated as share units.

##### Restricted Stock Plan for Overseas Allottees

This is an advance-allotment type share-based compensation plan under which the Company delivers its ordinary shares

to the Overseas Allottees for each fiscal year, as compensation for the execution of duties during a service period set in advance by the Company's Board of Directors.

Upon the delivery of the Company's ordinary shares, the Company will provide a monetary claim for the purpose of delivering the shares. The Allottees shall contribute the full amount of such monetary claim as payment in kind and receive the Company's ordinary shares.

Each Allottee and the Company are scheduled to enter into a Restricted Stock Allotment Agreement under the Restricted Stock Plan (hereinafter referred to as the "Allotment Agreement"), which will include, in essence, the following terms.

## 2) Restricted Stock Allotment Agreement under the Restricted Stock Plan

### i) Transfer Restrictions and Transfer Restriction Period

The Eligible Directors (excluding the Eligible Directors subject to overseas plans) must not, in principle, transfer, pledge, or otherwise dispose of the Company's ordinary shares delivered under the Allotment Agreement (hereinafter referred to as the "Allotted Shares") (such restrictions hereinafter referred to as the "Transfer Restrictions") from July 22, 2025, until immediately after their resignation or retirement from all positions predetermined by the Company's Board of Directors (hereinafter referred to as the "Transfer Restriction Period"). For the Eligible Directors subject to overseas plans, the Transfer Restriction Period shall be three (3) years, from July 22, 2025, to July 21, 2028. For Overseas Allottees, the Transfer Restriction Period shall be one (1) year, from July 22, 2025, to July 21, 2026.

### ii) Release of Transfer Restrictions

Provided that an Allottee (excluding Overseas Allottees) continuously serves in a position predetermined by the Company's Board of Directors during the period from June 25, 2025, until immediately before the conclusion of the first Ordinary General Meeting of Shareholders thereafter (provided, however, that for Teijin Group Corporate Officers who are not Directors of the Company, or Mission Executives (excluding Overseas Allottees) as of today, this period shall be read as from April 1, 2025, to March 31, 2026; for Overseas Allottees as of today, this period shall be read as from July 22, 2025, to July 21, 2026; the same shall apply hereinafter. This period is hereinafter referred to as the "Service Period"), the Company shall release all Transfer Restrictions on the Allotted Shares upon expiration of the Transfer Restriction Period.

However, for Overseas Allottees, taking into account the timing of tax payments in countries outside Japan, the Company may, under the Allotment Agreement, release the Transfer Restrictions on a portion of the Allotted Shares equivalent to the amount of tax payable during the Transfer Restriction Period.

### iii) Handling in Case of Retirement

Notwithstanding the provisions of item (ii) above, if an Allottee retires from all positions predetermined by the Company's Board of Directors prior to the expiration of the Service Period due to expiration of term, mandatory retirement, death, or any other legitimate reason (hereinafter referred as "Legitimate Reasons"), the Company shall release the Transfer Restrictions to a portion of the Allotted Shares (reasonably calculated in consideration of the term of office, etc. of the said Allottee) immediately after such retirement, and shall acquire without consideration any remaining portion of the Allotted Shares for which the Transfer Restrictions are not released.

In addition, if an Allottee retires from all predetermined positions due to reasons other than Legitimate Reasons, the Company shall acquire without consideration all the Allotted Shares as a matter of course. However, if the retirement is due to a personal reason other than Legitimate Reasons and the Company's CEO approves such reason as legitimate (or, in the case of the CEO, the Board of Directors resolves accordingly; the same shall apply hereinafter), the Company shall, as a matter of course, acquire without consideration all of the Allotted Shares for which the three (3) -year Transfer Restriction Period has not yet elapsed.

### iv) Handling in Case of Organizational Restructuring, etc.

Notwithstanding the provisions of item (ii) above, if during the Transfer Restriction Period, matters such as a merger agreement in which the Company is the absorbed company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other organizational restructuring are approved at an Ordinary General Meeting of Shareholders of the Company (or by the Company's Board of Directors, if such organizational

restructuring does not require shareholder approval), and the effective date of such organizational restructuring occurs before the expiration of the Transfer Restriction Period, the Company shall, based on a resolution of the Company's Board of Directors, release the Transfer Restrictions prior to the effective date for the number of the Allotted Shares reasonably determined in consideration of the period between the start date of the Service Period and the approval date of the organizational restructuring.

In such cases, the Company shall, as a matter of course, acquire without consideration all remaining Allotted Shares for which the Transfer Restrictions are not released, immediately after the release.

v) Other Reasons for Acquisition Without Consideration

During the Transfer Restriction Period, if an Allottee is sentenced to imprisonment or more severe punishment, if a petition for bankruptcy proceedings is filed against the Allottee, if the Company's CEO determines that the Allottee has engaged in competitive activities against the Teijin Group's businesses without prior authorization from the Company or plans to do so after retirement, if the Company's CEO determines that an Allottee has violated laws, regulations or the Company's internal rules and regulations, or if any other cause arises, the Company may acquire all of the Allotted Shares without consideration as a matter of course.

vi) Other Matters

Other matters regarding the Allotment Agreement shall be determined by the Company's Board of Directors.

(2) Performance Share Units Plan

1) Outline of Performance Share Units Plan

Performance Share Units Plan for Directors

This is a post-allotment type share-based compensation plan under which the Company's Board of Directors establishes in advance a performance evaluation period comprising one (1) or more fiscal years within the scope of the "Teijin Group Medium-Term Management Plan 2024-2025" (hereinafter referred to as the "Performance Evaluation Period"). The Company delivers its ordinary shares and provides share units to the Eligible Directors based on the level of achievement of one (1) or more performance indicators set forth in the medium-term management plan. The share units are provided for the purpose of securing funds for tax payment arising upon the release of transfer restrictions on the Company's ordinary shares or delivery of the Company's ordinary shares. Each share unit entitles the Eligible Directors to receive a cash payment equivalent to the share price per the Company's ordinary shares.

The allocation ratio between the Company's ordinary shares and share units is determined based on the tax systems of each country. The proportion of the Company's ordinary shares delivered ranges from 50% to 100%, with the remainder allocated as share units.

Performance Share Units Plan for Overseas allottees

This is a post-allotment type share-based compensation plan under which the Company's Board of Directors establishes in advance a performance evaluation period comprising one (1) or more fiscal years within the scope of the "Teijin Group Medium-Term Management Plan 2024-2025" (hereinafter referred to as the "Performance Evaluation Period"). The Company delivers its ordinary shares to the Overseas Allottees based on the level of achievement of one (1) or more performance indicators set forth in the medium-term management plan.

Upon the delivery of the Company's ordinary shares, the Company will provide a monetary claim for the purpose of delivering the shares. The Allottees shall contribute the full amount of such monetary claim as payment in kind and receive the Company's ordinary shares.

Each Allottee and the Company are scheduled to enter into a Restricted Stock Allotment Agreement under the Performance Share Units Plan (hereinafter referred to as the "Allotment Agreement"), which will include, in essence, the following terms.

2) Restricted Stock Allotment Agreement under the Performance Share Units Plan

i) Transfer Restrictions and Transfer Restriction Period

The Allottees (excluding the Eligible Directors subject to overseas plans and Overseas Allottees; the same shall apply to item i) through v)) must not, in principle, transfer, pledge, or otherwise dispose of the Company's ordinary shares delivered under the Allotment Agreement (hereinafter referred to as the "Allotted Shares") (such restrictions hereinafter referred to as the "Transfer Restrictions") from July 22, 2025, until immediately after their resignation or retirement from all positions predetermined by the Company's Board of Directors (hereinafter referred to as the "Transfer Restriction Period").

For the Eligible Directors subject to overseas plans and Overseas Allottees, no Transfer Restrictions shall be imposed on the Allotted Shares.

Additionally, for individuals who have already retired from all positions predetermined by the Company's Board of Directors as of July 22, 2025, due to expiration of term, mandatory retirement, death, or any other legitimate reason (hereinafter referred to as "Legitimate Reasons"), Transfer Restriction Period shall be deemed to have expired at that time.

ii) Release of Transfer Restrictions

Provided that an Allottee continuously serves in a position predetermined by the Company's Board of Directors during the Transfer Restriction Period, the Company shall release all Transfer Restrictions on the Allotted Shares upon expiration of the Transfer Restriction Period.

iii) Handling in Case of Retirement

Notwithstanding the provisions of item (ii) above, if an Allottee retires from all positions predetermined by the Company's Board of Directors for reasons other than Legitimate Reasons (excluding cases where the retirement is due to a personal reason other than Legitimate Reasons and the Company's CEO approves such reason as legitimate; in the case of the CEO, the Board of Directors resolves accordingly; the same shall apply hereinafter), the Company shall acquire all of the Allotted Shares without consideration as a matter of course.

iv) Handling in Case of Organizational Restructuring, etc.

Notwithstanding the provisions of item (ii) above, if during the Transfer Restriction Period, matters such as a merger agreement in which the Company is the absorbed company, a share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or any other organizational restructuring are approved at an Ordinary General Meeting of Shareholders of the Company (or by the Company's Board of Directors, if such organizational restructuring does not require shareholder approval), and the effective date of such organizational restructuring occurs before the expiration of the Transfer Restriction Period, the Company shall, based on a resolution of the Company's Board of Directors, release the Transfer Restrictions on all Allotted Shares prior to the effective date of the organizational restructuring.

v) Other Reasons for Acquisition Without Consideration

During the Transfer Restriction Period, if an Allottee is sentenced to imprisonment or more severe punishment, if a petition for bankruptcy proceedings is filed against the Allottee, if the Company's CEO determines that an Allottee has engaged in competitive activities against the Teijin Group's businesses without prior authorization from the Company or plans to do so after retirement, if the Company's CEO determines that the Allottee has violated laws, regulations or the Company's internal rules and regulations, or if any other cause arises, the Company may acquire all of the Allotted Shares without consideration as a matter of course.

vi) Other Matters

Other matters regarding the Allotment Agreement shall be determined by the Company's Board of Directors.

#### 4. Management of the Shares

To ensure that the Allotted Shares cannot be transferred, pledged, or otherwise disposed of during the Transfer Restriction Period, they shall be managed separately from other unrestricted shares of the Company in a dedicated account for restricted stock, either opened by each Allottee with a securities company or opened by the stock custody and trading agent with a securities company. Even if the Allottee requests a transfer of the Allotted Shares managed in such a dedicated account, such transfer shall be restricted.

To ensure the effectiveness of the Transfer Restrictions and other related conditions on the Allotted Shares, the Company has entered into agreements with the relevant securities company and the stock custody and trading agent regarding the account management of the Allotted Shares held by each Allottee. Each Allottee is required to agree to the terms of such

account management.

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

To eliminate any arbitrariness in the Disposal price, ¥1,165.5 has been set as the Disposal price, which is the closing price of the Company's ordinary shares on the Prime Market of the Tokyo Stock Exchange on June 24, 2025 (the business day immediately preceding the date of the Board of Directors' resolution). This price reflects the market value of the shares immediately prior to the resolution date and is considered reasonably and not particularly favorable to the Allottees.

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