

## NEWS RELEASE

### Teijin Introduces Internal Carbon Pricing System

Tokyo, Japan, January 14, 2021 --- [Teijin Limited](#) announced today that it has introduced an internal carbon pricing (ICP) system for capital investment plans throughout the group. The ICP mechanism creates economic incentives to reduce CO2 emissions by quantifying CO2 emissions as costs that the company can consider when making investment decisions, ultimately to help address the problem of climate change. Teijin will apply its ICP system to all future capital investment plans that are expected to impact the group's CO2 emissions.

#### Teijin Group's ICP system

- Price (applied worldwide): EUR 50 per ton of CO2 emissions
- Target: Capital investments impacting CO2 emissions (increases & decreases)
- Implementation: Calculate ICP costs of expected CO2 emissions in capital investment plans for use as reference in deciding about such investments.

Teijin's goals for lowering the groupwide environmental impact include reducing CO2 emissions in fiscal 2030 by 20% compared to the fiscal 2018 level, and then achieving net zero emissions by fiscal 2050. In addition, Teijin is striving to lower CO2 emissions in its supply chain, specifically to make the amount of avoided emissions by use of its products larger than actual emissions groupwide, including from the group's upstream supply chain.

Through the launch of this new ICP system, Teijin expects to implement capital investment plans that contribute to its long-term goals for CO2 emissions reduction and to prepare the company for expected future rises in global carbon prices.

Teijin, under its long-term vision of being a company that supports the society of the future, delivers solutions to help realize a more sustainable society in three key fields: 1) environmental value, 2) safety, security and disaster mitigation, and 3) demographic change and increased health consciousness.

#### 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 more than 170 companies and employs some 20,000 people across 20 countries worldwide. Teijin posted consolidated sales of JPY 853.7 billion (USD 8.0 billion) and total assets of JPY 1,004.2 billion (USD 9.4 billion) in the fiscal year that ended on March 31, 2020.

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