



July 31, 2025

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Name of Representative:	Toshiki Kawai President & CEO (Representative Director) (Code No. 8035; TSE Prime Market)
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Notice Regarding Continuation of Stock Delivering Scheme for TEL Group Officers in Japan and Abroad

Tokyo Electron Limited (“TEL”) announces that its board of directors resolved in a meeting held on July 31, 2025 to continue the stock delivering scheme (the “Scheme”), which was introduced in 2018 as a common global incentive plan for directors, corporate officers, senior employees, and mid-class employees, including executive officers, of TEL and its group companies in Japan and abroad (“Relevant Companies”), in 2025.

1. Continuation of the Scheme

- (1) TEL introduced the Scheme in 2018 and has been continuously operating it as an incentive plan that is closely linked to performance in order to motivate directors (excluding outside directors), corporate officers, senior employees, and mid-class employees, including executive officers, of the Relevant Companies to improve the TEL Group’s medium-term performance and increase their awareness of contributing to the increase in the TEL Group’s enterprise value by sharing the viewpoints of shareholders through shareholding, under a global framework. The Scheme especially encourages senior employees and mid-class employees to contribute to achieving TEL’s business targets with a sense of purpose together with top management. In addition, the issuance of TEL shares to senior employees and mid-class employees, according to their degree of achievement of medium-term performance targets and fulfillment of a prescribed period of continuous employment, also contributes to fostering their sense of belonging to the TEL Group. Therefore, TEL is continuing the Scheme.
- (2) With a view to establishing a compensation system that is more consistent with TEL’s outside directors’ expected roles of not only supervising management but also providing management with advice from the viewpoint of enhancement of corporate value over the medium to long term, and to further promote the sharing of interests with shareholders, TEL introduced a non-performance-linked stock-based compensation system for its outside directors in 2020. TEL continues this compensation system for its outside directors.
- (3) TEL operates the Scheme through a stock delivery trust called the officers’ compensation board incentive plan trust (“BIP Trust”) and the stock-delivering employee stock ownership plan trust (“ESOP Trust”; collectively

with the BIP Trust, “Trust”). The BIP Trust is a system providing stock-based compensation to directors of the Relevant Companies and TEL’s corporate officers (collectively, “Eligible Directors, etc.”) according to their positions and degree of achievement of performance goals, etc. TEL set up two BIP Trusts for the following categories of eligible persons:

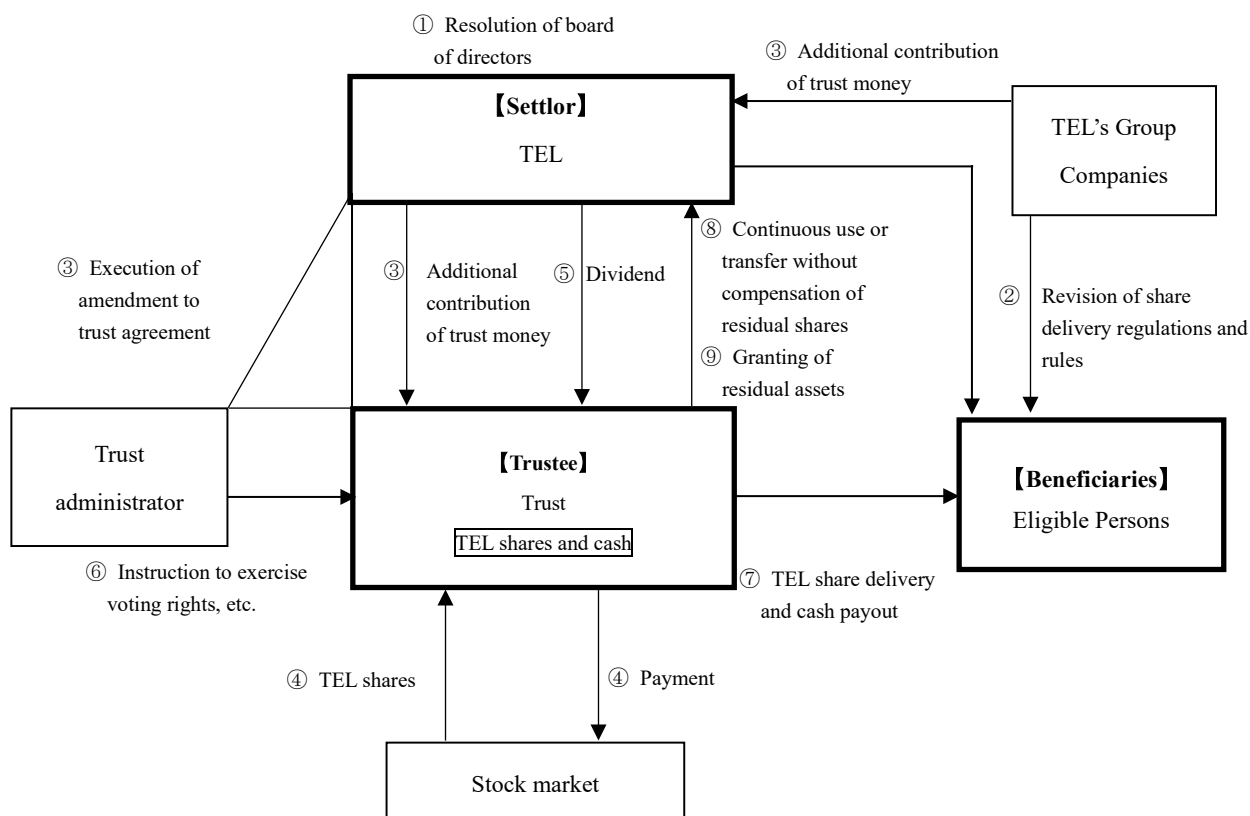
BIP Trust I: Directors and corporate officers of TEL

BIP Trust II: Directors of TEL group companies

The ESOP Trust is a system providing stock-based benefits to senior employees and mid-class employees of the Relevant Companies (“Eligible Employees”; collectively with Eligible Directors, etc., “Eligible Persons”), according to their positions, degree of achievement of performance goals, and fulfillment of a prescribed period of continuous employment.

- (4) In continuing the Scheme, there are no plans for additional contributions of new trust money to the BIP Trust or the ESOP Trust, nor for additional acquisitions of TEL shares from the stock market. However, during the trust period, in the event that TEL finds that there is a possibility of insufficiency in the number of TEL shares within the Trust, additional acquisitions may be made appropriately in accordance with applicable laws and regulations.

2. Scheme Structure



	BIP Trusts I and II	ESOP Trust
①	TEL shall obtain a board of directors meeting resolution for continuation of the Scheme.	
②	Each Relevant Company shall revise its share delivery regulations and rules in continuing the Scheme.	
③	TEL shall execute an amendment to the trust agreement with the trustee and the trust administrator to extend the relevant trust periods of BIP Trust I for the benefit of TEL's directors and corporate officers who meet the beneficiary requirements, BIP Trust II for the benefit of TEL's group company directors who meet the beneficiary requirements, and the ESOP Trust for the benefit of Eligible Employees who meet the beneficiary requirements (collectively, the "Trust"). In addition, each Relevant Company shall make an additional contribution of trust money to the trust fund for the acquisition of TEL shares, if necessary, taking into consideration the number of remaining TEL shares and the balance of trust money within the trust assets at the end of the trust term before its extension (excluding TEL Shares, etc. which have not been delivered but correspond to stock delivering points granted to Eligible Persons). The additional contribution shall be made within the scope resolved at the general meeting of shareholders of each Relevant Company held prior to establishment of the Trust.	
④	In extending the trust term, the Trust will, if necessary and in accordance with instructions from the trust administrator, acquire TEL shares from the stock market, using the trust money remaining within the trust assets at the time of the amendment to the trust agreement and trust money contributed as provided in ③. However, instead of acquiring TEL shares from the stock market, the Trust may acquire treasury shares held by TEL.	
⑤	Dividends on TEL shares in the Trust will be distributed with other TEL shares.	
⑥	The voting rights of TEL shares within the Trust shall not be exercised.	The voting rights of TEL shares in the Trust will be exercised in accordance with instructions from the trust administrator.
⑦	Eligible Persons shall be granted points based on their positions, degree of achievement of performance targets, and/or fulfillment of a prescribed period of continuous employment, according to the share delivery regulations and rules (outside directors of TEL shall be granted a fixed amount of points). The Eligible Persons meeting the beneficiary requirements shall have TEL shares and the cash conversion value delivered from the Trust according to the relevant number of points.	
⑧	In the case where there are residual shares upon expiration of the trust term, the Trust will continue to be used for the Scheme or the same kind of stock delivering scheme, or a transfer without compensation of these residual shares will be made to TEL.	
⑨	Any assets remaining at the time of termination of the Trust will be vested in TEL within the limit calculated by deducting from the trust money the cost of acquiring the shares.	

(Reference)

【Trust Agreement】

	BIP Trust I	BIP Trust II	ESOP Trust
① Eligible Persons:	TEL directors (including outside directors) and corporate officers	Group company directors	Eligible Employees
② Trust Type:	An individually-operated designated trust of cash other than a cash trust (third-party benefit trust)		
③ Trust Purpose:	To deliver incentives to Eligible Persons		
④ Settlor:	TEL		
⑤ Trustee:	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)		
⑥ Beneficiaries:	Eligible Persons satisfying the beneficiary requirements		
⑦ Trust Administrator:	A third-party who does not have any interest in TEL (certified public accountant)		
⑧ Trust Agreement Date:	August 1, 2019 (An amended trust agreement (to extend the trust term) is planned to be executed on August 1, 2025.)		
⑨ Trust Term:	August 1, 2019 to August 31, 2025 (The trust term is planned to be extended until August 31, 2028 pursuant to the amended trust agreement above)		
⑩ Start of Scheme:	August 1, 2025 (planned)		
⑪ Exercise of Voting Rights:	Not exercisable		Exercisable
⑫ Holder of Vested Rights:	TEL		
⑬ Residual Assets:	Residual assets that can be received by TEL, which is the holder of the vested rights, shall be within the limit of the trust expense reserve, which is calculated by deducting from the trust money the expense of acquiring the shares.		

Note: The schedule above is subject to change at appropriate times in light of applicable laws and regulations.