



January 25, 2024

Sojitz Corporation
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(TSE Code: 2768, TSE Prime Market)

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**Notice Regarding Transition to Company with Audit and Supervisory Committee
and Partial Modification of Articles of Incorporation**

At a meeting of the Board of the Directors held today, Sojitz Corporation passed a resolution for its transition from its current “Company with Audit and Supervisory Board” structure to a “Company with Audit and Supervisory Committee,” subject to the approval thereof at its 21st Ordinary General Shareholders’ Meeting scheduled to be convened in June 2024. With this, Sojitz Corporation has resolved to submit a proposal for the partial modification of the Articles of Incorporation at this same General Shareholders’ Meeting, and hereby provides notice thereof as follows.

Furthermore, separate notice will be provided regarding the directors appointments following the transition to a Company with Audit and Supervisory Committee in the “Sojitz Corporation Announces Changes to Representative Directors, Directors Appointments following Transition to a Company with an Audit and Supervisory Committee, and Executive Appointments Effective as of April 1st, 2024” dated today.

1. Transition to Company with Audit and Supervisory Committee

(1) Purpose of Transition

Historically, the majority of Sojitz Corporation’s Board of Directors has been made up of Outside Directors and the Board has been chaired by an Outside Director, and the company has made efforts to ensure the transparency of management and enhance its corporate governance system.

Sojitz Corporation now will make transition to a Company with Audit and Supervisory Committee to promote the delegation of authority from the Board of Directors to Executive Directors and Executive Officers in an effort to speed up decision making, and will strengthen the supervisory function of the Board of Directors by appointing as members of the Board of Directors

those members of the Audit and Supervisory Committee who are in charge of the auditing and supervision of the execution of duties by Directors. This system will enhance the quality and speed of management decision-making in an effort to enhance the Group's corporate value in an ever-changing business environment.

(2) Timing of Transition

The plan is to obtain the required approval of the modification of the Articles of Incorporation and the like at the 21st Ordinary General Shareholders' Meeting scheduled to be convened in June 2024, and then the Company will make transition to a Company with Audit and Supervisory Committee.

2. Partial Modification of Articles of Incorporation

(1) Purpose and Outline of Modifications

- (i) With the transition to a Company with Audit and Supervisory Committee, provisions related to the Audit and Supervisory Committee Members and the Audit and Supervisory Committee will be newly established, provisions regarding Audit and Supervisory Board Members and the Audit and Supervisory Board will be deleted, provisions related to the delegation of important business execution decisions will be newly established, and other necessary modifications will be made.
- (ii) With the abolition of the position of Directors, Article 20, Paragraph 4 of the current Articles of Incorporation will be deleted.
- (iii) In order for Directors who are not engaged in the execution of business to be able to fully fulfill their expected roles, the scope of those Directors entering into agreements for the limitation of liability, which currently covers Outside Directors, will be expanded to include Directors who are not engaged in the execution of business (proposed modification of Article 27, Paragraph 2).
- (iv) A new clause will be established pursuant to Article 459, Paragraph 1 of the Companies Act, which will enable the Board of Directors to adopt resolutions regarding the dividends of surplus and the like (proposed modification for Article 29).
- (v) In an effort to rationalize the administration of stock, the exclusion period for dividends will be shortened from the current period of five (5) full years to a period of three (3) full years (proposed modification for Article 31, Paragraph 1).
- (vi) Otherwise, lexical corrections and required modifications will be made to accommodate the foregoing respective modifications.

(2) Details of Modifications

The details of the modifications are as set out in the attachment.

- (3) Schedule for Modifications of Articles of Incorporation
General Shareholders' Meeting for modification of Articles of Incorporation: June 18, 2024 (scheduled)
Effective date of modification of Articles of Incorporation: June 18, 2024 (scheduled)

3. Overview of System Following Transition to Company with Audit and Supervisory Committee

Our system after transitioning to a Company with Audit and Supervisory Committee will be as follows.

Furthermore, please see the “Sojitz Corporation Announces Changes to Representative Directors, Directors Appointments following Transition to a Company with an Audit and Supervisory Committee, and Executive Appointments Effective as of April 1st, 2024” regarding the candidates for Directors.

- Under the current composition of officers at the Company, there is a total of 14 officers, including 9 Directors (4 Inside Directors and 5 Outside Directors) and 5 Audit and Supervisory Board Members (2 Inside Members and 3 Outside Members), but following the transition there will be a total of 11 Directors (5 Inside Directors and 6 Outside Directors), and 4 of the Directors will also be Members of the Audit and Supervisory Committee (1 Inside Member and 3 Outside Members). Furthermore, the plan is that the Chairperson of the Board of Directors will remain an Outside Director consistent with the current Board (*).
- In order to ensure the effectiveness of audits by the Audit and Supervisory Committee, the plan is to appoint an Inside Director who is well versed in the business of the Company to serve as a Full-time Audit and Supervisory Member and the Chairperson of the Audit and Supervisory Committee (*). In addition, employees who are well versed in the business of the Company and have knowledge of finance, accounting, risk management and the like will be assigned to assist the Audit and Supervisory Committee in its duties.
- Even after the transition to a Company with Audit and Supervisory Committee, the Company will continue to have a Nomination Committee and a Remuneration Committee to enhance the transparency and objectivity of the decisions on nominations and remuneration of Directors. The plan is that the majority of each of these Committees will be made up of Outside Directors, and that each of these Committees will also be chaired by Outside Directors (*).

(*). The plan is to make a decision on the post-transition Chairperson of the Board of Directors, the Full-time Audit and Supervisory Member and the Chairperson of the Audit and Supervisory Committee, and the Chairpersons and Members of the Nominating Committee

and the Remuneration Committee at a meeting of the Board of Directors and a meeting of the Audit and Supervisory Committee, following the Ordinary General Shareholders' Meeting in June of this year.

Schedule of Details of Modifications to Articles of Incorporation (the underlined portions indicate modifications)

| Current Provisions | Proposed Modifications |
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| CHAPTER I GENERAL PROVISIONS | CHAPTER I GENERAL PROVISIONS |
| Article 1 - Article 3 (Omitted) | Article 1 - Article 3 (Unchanged) |
| Article 4 (Corporate Bodies) In addition to the General Shareholders' Meeting and Directors, the Company shall establish the following corporate bodies: | Article 4 (Corporate Bodies) In addition to the General Shareholders' Meeting and Directors, the Company shall establish the following corporate bodies: |
| <ol style="list-style-type: none"> 1. Board of Directors; 2. Audit and Supervisory Board Members; 3. <u>Audit and Supervisory Board;</u> and, 4. <u>Accounting Auditors</u> | <ol style="list-style-type: none"> 1. Board of Directors; 2. <u>Audit and Supervisory Committee; and,</u> <Deleted> 3. <u>Accounting Auditors</u> |
| Article 5 (Method of Public Notice) The method of public notice for the Company shall be electronic public notice; provided, however, that in the event of an accident or other unavoidable circumstances which render electronic public notices impossible, the Company shall publish notices <u>by means of placement</u> in the Nihon Keizai Shimbun. | Article 5 (Method of Public Notice) The method of public notice for the Company shall be electronic public notice; provided, however, that in the event of an accident or other unavoidable circumstances which render electronic public notices impossible, the Company shall publish notices in the Nihon Keizai Shimbun. |
| CHAPTER II SHARES | CHAPTER II SHARES |
| Article 6 (Total Number of Shares Authorized for Issuance) The total number of shares authorized for issuance by the Company shall be 500,000,000 shares <u>of common stock</u> . | Article 6 (Total Number of Shares Authorized for Issuance) The total number of shares authorized for issuance by the Company shall be 500,000,000 shares. |
| Article 7 (Acquisition of Treasury Stock) (Omitted) | Article 7 (Acquisition of Treasury Stock) (Unchanged) |
| Article 8 (Shares Constituting One Unit) (1) The number of shares constituting one (1) unit of the Company's <u>common stock</u> shall be one hundred (100) shares. | Article 8 (Shares Constituting One Unit) (1) The number of shares constituting one (1) unit of the Company's <u>shares</u> shall be one hundred (100) shares. |

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| <p>(2) The Company's shareholders <u>who hold fractional shares</u>, in accordance with the provisions of the Share Handling Rules, shall be entitled to request <u>the Company, by paying a prescribed fee, to sell the number of shares of the Company</u> which, together with the fractional unit shares held thereby, will constitute the number of one share unit.</p> | <p>(2) The Company's shareholders, in accordance with the provisions of the Share Handling Rules, shall be entitled to request <u>the sale of the number of shares</u> which, together with the fractional unit shares held thereby, will constitute the number of one share unit.</p> |
| <p>Article 9 (Share Handling Rules) The handling and fees related to shares and new share acquisition rights shall be governed by laws, regulations, these Articles of Incorporation, and the Share Handling Rules prescribed by the Board of Directors.</p> | <p>Article 9 (Share Handling Rules) The handling and fees related to <u>the Company's</u> shares and new share acquisition rights shall be governed by laws, regulations, these Articles of Incorporation, and the Share Handling Rules prescribed by the Board of Directors <u>or the Directors delegated by resolution of the Board of Directors</u>.</p> |
| <p>Article 10 (Shareholder Register Administrator)</p> | <p>Article 10 (Shareholder Register Administrator)</p> |
| <p>(1) (Omitted) (2) The shareholder register administrator and its administrative office shall be designated by <u>resolution of the Board of Directors</u>, and public notice shall be provided.</p> | <p>(1) (Unchanged) (2) The shareholder register administrator and its administrative office shall be designated by the Board of Directors <u>or the Directors delegated by resolution of the Board of Directors</u>, and public notice <u>thereof</u> shall be provided.</p> |
| <p>(3) The creation and keeping of the Company's register of shareholders and register of new share acquisition rights and other matters related to the register of shareholders and register of new share acquisition rights shall be delegated to the shareholder register administrator, and shall not be handled by the Company.</p> | <p>(3) The creation and keeping of the Company's register of shareholders and register of new share acquisition rights and other matters related to the register of shareholders and register of new share acquisition rights shall be delegated to the shareholder register administrator, and shall not be handled by the Company.</p> |
| <p>CHAPTER III GENERAL SHAREHOLDERS' MEETING</p> | <p>CHAPTER III GENERAL SHAREHOLDERS' MEETING</p> |
| <p>Article 11 - Article 16 (Omitted)</p> | <p>Article 11 - Article 16 (Unchanged)</p> |

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| <p>expiration of the term of office for the other Directors.</p> <p><Newly Established></p> <p><Newly Established></p> | <p>term of office shall extend through the expiration of the term of office for the other Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>).</p> <p>(4) <u>The term of office for a Director who is an Audit and Supervisory Committee Member that was elected to fill a vacancy for a Director who was an Audit and Supervisory Committee Member that resigned prior to the expiration of his or her term of office shall extend through the expiration of the term of office for the resigning Director who was an Audit and Supervisory Committee Member.</u></p> <p>(5) <u>The effect of the election of a substitute Director who is an Audit and Supervisory Committee Member shall extend through the commencement of the Ordinary General Shareholders' Meeting associated with the last fiscal year ending within two (2) years after their election.</u></p> |
| <p>Article 20 (Representative Directors, <u>Titled Directors</u> and Executive Officers, etc.)</p> <p>(1) The Board of Directors shall elect Representative Directors from among the Directors.</p> <p>(2) <u>The Board of Directors shall prescribe</u> Executive Officers, and shall have them execute business.</p> <p>(3) (Omitted)</p> <p>(4) <u>The Board of Directors may elect one (1) Chairman, and several Vice Chairmen, Executive Vice Presidents, Senior Managing Directors and Managing Directors.</u></p> | <p>Article 20 Representative Directors and Executive Officers, etc.)</p> <p>(1) The Board of Directors shall elect Representative Directors from among the Directors (<u>excluding Directors who are Audit and Supervisory Committee Members</u>).</p> <p>(2) <u>The Company shall appoint</u> Executive Officers, and shall have them execute business.</p> <p>(3) (Unchanged) <Deleted></p> |

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| <p>Article 21 (Authorized Convenor and Chairperson for Meetings of Board of Directors)</p> <p>(Omitted)</p> | <p>Article 21 (Authorized Convenor and Chairperson for Meetings of Board of Directors)</p> <p>(Unchanged)</p> |
| <p>Article 22 (Notice of Convening of Meeting of the Board of Directors)</p> <p>Notice of the convening of a meeting of the Board of Directors shall be issued to each Director <u>and each Audit and Supervisory Board Member</u> by no later than three (3) days prior to the meeting date; provided, however, that this time period may be shortened in times of urgency.</p> <p><Newly Established></p> | <p>Article 22 (Notice of Convening of Meeting of the Board of Directors)</p> <p>Notice of the convening of a meeting of the Board of Directors shall be issued to each Director by no later than three (3) days prior to the meeting date; provided, however, that this time period may be shortened in times of urgency.</p> <p><u>Article 23 (Notice of Convening of Meeting of Audit and Supervisory Committee)</u></p> <p><u>Notice of the convening of a meeting of the Audit and Supervisory Committee shall be issued to each Director who is an Audit and Supervisory Committee Member by no later than three (3) days prior to the meeting date; provided, however, that this time period may be shortened in times of urgency.</u></p> |
| <p>Article <u>23</u> (Omission of Board of Directors' Resolutions)</p> <p>In the event a Director proposes a matter subject to resolution by the Board of Directors, if all of the Directors who are eligible to participate in the corresponding proposal express their consent thereto in writing or by electromagnetic record, <u>and the Audit and Supervisory Board Members do not raise objections thereto</u>, the Company shall be entitled to deem that the proposal has been passed by resolution of the Board of Directors.</p> <p><Newly Established></p> | <p>Article <u>24</u> (Omission of Board of Directors' Resolutions)</p> <p>In the event a Director proposes a matter subject to resolution by the Board of Directors, if all of the Directors who are eligible to participate in the corresponding proposal express their consent thereto in writing or by electromagnetic record, the Company shall be entitled to deem that the proposal has been passed by resolution of the Board of Directors.</p> <p><u>Article 25 (Delegation of Decisions on Execution of Important Operations)</u></p> |

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| | <p>Pursuant to the provisions of Article 399-13, <u>Paragraph 6 of the Companies Act, the Company, by resolution of the Board of Directors, shall be entitled to delegate all or a portion of the decisions concerning the execution of important operations (excluding the matters set out in the respective items of Paragraph 5 of that same article) to Directors.</u></p> |
| <p>Article <u>24</u> (Board of Directors Rules)</p> <p>Matters related to the Board of Directors shall be governed by the provisions of laws, regulations, these Articles of Incorporation, and the Board of Directors Rules <u>prescribed by the Board of Directors.</u></p> | <p>Article <u>26</u> (Board of Directors Rules <u>and Audit and Supervisory Committee Rules</u>)</p> <p>Matters related to the Board of Directors <u>and the Audit and Supervisory Committee</u> shall be governed by the provisions of laws, regulations, these Articles of Incorporation, and the Board of Directors Rules <u>and Audit and Supervisory Committee Rules.</u></p> |
| <p>Article <u>25</u> (Exemption of Directors from Liability)</p> <p>(1) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company, by resolution of the Board of Directors, shall be entitled to exempt Directors (including former Directors) from liability for the compensation of the damages <u>of Article 423, Paragraph 1 of the Companies Act</u>, to the extent allowed under laws and regulations.</p> <p>(2) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company shall be entitled to enter into agreements with <u>Outside Directors</u> that limit the liability <u>of Outside Directors</u> for the compensation of the damages <u>of Article 423, Paragraph 1 of the Companies Act</u>; provided, however, that the limit of liability under such agreements shall be the higher of a prescribed amount, which shall be at least JPY 10,000,000 or more, or the minimum</p> | <p>Article <u>27</u> (Exemption of Directors from Liability)</p> <p>(1) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company, by resolution of the Board of Directors, shall be entitled to exempt Directors (including former Directors) <u>who have neglected their duties</u> from liability for the compensation of damages, to the extent allowed under laws and regulations.</p> <p>(2) Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company shall be entitled to enter into agreements with Directors <u>(excluding those who are Executive Directors or the like)</u> that limit the liability for the compensation of damages <u>caused by their neglect of duties</u>; provided, however, that the limit of liability under such agreements shall be the higher of a prescribed amount, which shall be at least JPY 10,000,000 or more, or the minimum</p> |

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| <p>amount prescribed under Article 425, Paragraph 1 of the Companies Act.</p> | <p>amount prescribed under Article 425, Paragraph 1 of the Companies Act.</p> |
| <p><u>CHAPTER V AUDIT AND SUPERVISORY BOARD</u> <u>MEMBERS AND AUDIT AND SUPERVISORY</u> <u>BOARD</u></p> | <p><Deleted></p> |
| <p><u>Article 26 (Number of Audit and Supervisory Board Members)</u> <u>The Company shall have no more than five (5) Audit and Supervisory Board Members.</u></p> | <p><Deleted></p> |
| <p><u>Article 27 (Election of Audit and Supervisory Board Members)</u> <u>(1) Audit and Supervisory Board Members shall be elected by shareholder resolution.</u> <u>(2) Resolutions for the election of Audit and Supervisory Board Members shall be passed at a meeting attended by shareholders present at a meeting attended by shareholders possessing one-third (1/3) or more of the voting rights of shareholders who are eligible to cast votes, by a majority of the voting rights of the shareholders who are in attendance and eligible to cast votes.</u></p> | <p><Deleted></p> |
| <p><u>Article 28 (Term of Office for Audit and Supervisory Board Members)</u> <u>(1) The term of office for Audit and Supervisory Board Members shall expire upon the conclusion of the Ordinary General Shareholders' Meetings associated with the last fiscal year ending within four (4) years after their election.</u> <u>(2) The term of office for an Audit and Supervisory Board Member who was elected to fill a vacancy for Audit and Supervisory Board Member who resigned prior to the expiration of his or her term of office shall extend through the expiration of</u></p> | <p><Deleted></p> |

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| <p><u>the term of office for the resigning Audit and Supervisory Board Member.</u></p> | |
| <p><u>Article 29 (Fulltime Audit and Supervisory Board Members)</u> <u>Audit and Supervisory Board shall elect fulltime Audit and Supervisory Board Members from among the Audit and Supervisory Board Members.</u></p> | <p><Deleted></p> |
| <p><u>Article 30 (Notice of Convening of Meeting of the Audit and Supervisory Board)</u> <u>Notice of the convening of a meeting of the Audit and Supervisory Board shall be issued to each Audit and Supervisory Board Member by no later than three (3) days prior to the meeting date; provided, however, that, this time period may be shortened in times of urgency.</u></p> | <p><Deleted></p> |
| <p><u>Article 31 (Audit and Supervisory Board Rules)</u> <u>Matters related to the Audit and Supervisory Board shall be governed by the provisions of laws, regulations, these Articles of Incorporation, and the Audit and Supervisory Board Rules prescribed by the Audit and Supervisory Board.</u></p> | <p><Deleted></p> |
| <p><u>Article 32 (Exemption of Audit and Supervisory Board Members from Liability)</u> <u>(1) Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company, by resolution of the Board of Directors, shall be entitled to exempt Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) from liability for the compensation of the damages of Article 423, Paragraph 1 of the Companies Act, to the extent allowed under laws and regulations.</u></p> | <p><Deleted></p> |

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| <p>(2) Pursuant to the provisions of Article 427, <u>Paragraph 1 of the Companies Act, the Company shall be entitled to enter into agreements with Audit and Supervisory Board Members that limit the liability of Audit and Supervisory Board Members for the compensation of the damages of Article 423, Paragraph 1 of the Companies Act; provided, however, that the limit of liability under such agreements shall be the higher of a prescribed amount, which shall be at least JPY 10,000,000 or more, or the minimum amount prescribed under Article 425, Paragraph 1 of the Companies Act.</u></p> | |
| <p>CHAPTER <u>VI</u> ACCOUNTS</p> | <p>CHAPTER <u>V</u> ACCOUNTS</p> |
| <p>Article <u>33</u> (Fiscal Year) (Omitted)</p> | <p>Article <u>28</u> (Fiscal Year) (Unchanged)</p> |
| <p><Newly Established></p> | <p><u>Article 29 (Decision Making Body for Dividends of Surplus, etc.)</u> <u>Unless otherwise prescribed under laws and regulations, the Company, by resolution of the Board of Directors, shall be entitled to prescribe dividends of surplus and other matters set forth in the respective items of Article 459. Paragraph 1 of the Companies Act.</u></p> |
| <p>Article <u>34</u> (Dividends of Surplus)</p> | <p>Article <u>30</u> (<u>Record Date for Dividends of Surplus</u>)</p> |
| <p>(1) <u>The Company, by shareholder resolution, shall be entitled to provide dividends of surplus as of the record date of March 31st of each year.</u></p> | <p>(1) <u>The record date for the Company's year-end dividends shall be March 31st of each year.</u></p> |
| <p>(2) <u>The Company, by resolution of the Board of Directors, shall be entitled to provide the interim dividends set forth in Article 454, Paragraph 5 of the Companies Act, as of a record date of September 30th of each year.</u></p> | <p>(2) <u>The record date for the Company's interim dividends shall be September 30th of each year.</u></p> |

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| <p style="text-align: center;"><Newly Established></p> <p>Article <u>35</u> (Exclusion Period for Dividend Property)</p> <p>(1) If dividend property is not received even after the lapse of <u>five (5)</u> years from the initial delivery date, the Company shall be released from its obligation to deliver that property.</p> <p>(2) (Omitted)</p> | <p>(3) <u>In addition to the preceding two paragraphs, the record dates may be established and dividends of surplus may be paid.</u></p> <p>Article <u>31</u> (Exclusion Period for Dividend Property)</p> <p>(1) If dividend property is not received even after the lapse of <u>three (3)</u> years from the initial delivery date, the Company shall be released from its obligation to deliver that property.</p> <p>(2) (Unchanged)</p> |
| <p style="text-align: center;"><Newly Established></p> | <p style="text-align: center;"><u>SUPPLEMENTARY PROVISION</u></p> <p><u>(Transitional Measures Related to Exemption of Audit and Supervisory Board Members from Liability)</u></p> <p>(1) <u>The Company, by resolution of the Board of Directors, shall be entitled to exempt Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) from liability for the compensation of damages under the provisions of Article 423, Paragraph 1 of the Companies Act, to the extent allowed under laws and regulations, for their actions prior to the conclusion of the 21st Ordinary General Shareholders' Meeting.</u></p> <p>(2) <u>The agreements that limit liability for the compensation of damages under Article 423, Paragraph 1 of the Companies Act for the actions of Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) prior to the conclusion of the 21st Ordinary General Shareholders' Meeting, shall be governed by the provisions of Article 32, Paragraph 2 of the Articles of Incorporation prior to the</u></p> |

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| | <u>revision thereof by shareholder resolution at the same general meeting.</u> |
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