



February 2, 2023

Sojitz Corporation
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Notice Regarding Disposal of Treasury Stock as Shares Granted through the Employee Shareholding Association

Sojitz Corporation (the “Company”) hereby announces that it has passed a resolution at a meeting of its Board of Directors held today to grant common stock via the Company’s employee shareholding association, Sojitz Employee Shareholding Association (the “Shareholding Association”), to Company employees who are members of the Shareholding Association. The Company’s common stock will be granted through the following scheme (the “Scheme”), and the Shareholding Association shall be the scheduled allottee for the disposal of treasury stock through a third-party allotment (the “Disposal of Treasury Stock” or “Disposal”) as outlined below.

1. Outline of the Disposal

(1) Date of disposal	May 26, 2023
(2) Class and number of shares to be disposed	250,000 shares of the Company’s common stock*
(3) Disposal price	2,586 yen per share
(4) Total disposal value	646,500,000 yen*
(5) Disposal method (Scheduled allottee)	Third-party allotment of shares (Sojitz Employee Shareholding Association: 250,000 shares)
(6) Other	The Disposal of Treasury Stock is conditional on the effectiveness of the securities registration statement filed in accordance with the Financial Instruments and Exchange Act.

(*Note) Following resolution at Board of Directors' Meeting scheduled for February 2, 2023, the Shareholding Association will allocate a sufficient period of time for promotional purposes to familiarize employees with the Shareholding Association and solicit membership in the organization. The aforementioned number of shares to be disposed (250,000 shares) will be equally distributed as 100 shares of common stock to each member based on the assumed calculation in which all 2500 employees that are the targets of this promotion become members of the Shareholding Association (the "members of the Shareholding Association"). The actual number of shares to be issued are expected to be fixed according to the total number of members in Sojitz Shareholding Association after the promotion. Under the Scheme, each member of the Shareholding Association will be granted 100 shares of common stock, and there will be no partial amounts granted.

2. Purpose and Reasons for Disposal

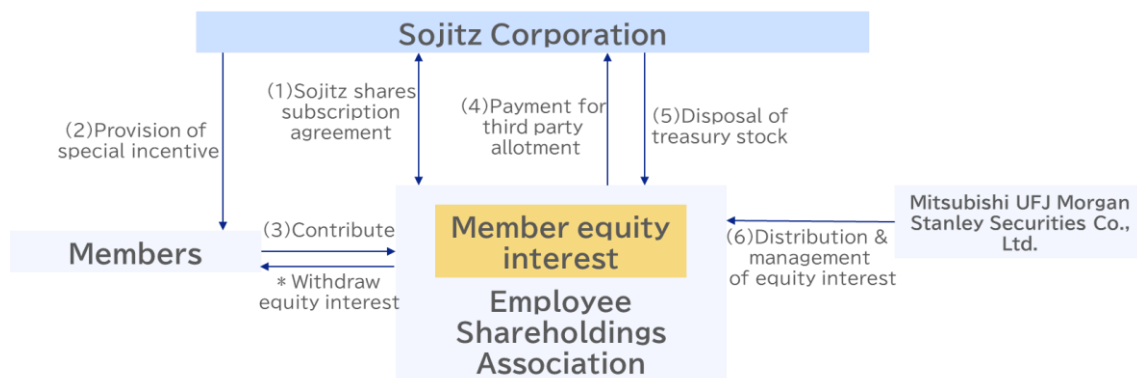
The Company is currently working towards achieving the targets of Medium-term Management Plan 2023 —Start of the Next Decade—, since April 2021. After making steady progress towards exceeding JPY 100 billion in profit for the year, the Company has resolved to grant 100 shares of common stock to employees via the Shareholding Association as an additional special incentives. Through this Scheme, the Company aims to share its profits with employees while fostering employee awareness for the sustainable improvement of corporate value.

In the Scheme, the Company will dispose of treasury stock through third-party allotment via the Shareholding Association as the selected allottee. Special incentives will be granted to members of the Shareholding Association, and the funds for acquiring the Company's common stock will be received as contributions from individual members to be paid to the Company via the Shareholding Association for disposal of the Company's treasury stock and associated acquisition of common stock.

The number of shares to be disposed will be 0.10% of total issued shares (0.11% of 2,287, 887 total voting rights as of September 30, 2022, with percentages rounded off to the second decimal place) with no significant dilution as a result of the Disposal.

Through the Disposal, the Company aims to share its profits with employees and pursue the sustainable improvement of corporate value as part of the Scheme. Given these benefits, the Company has determined that both the number of shares to be disposed and scale of stock dilution are reasonable.

Structure of the Scheme



- (1) The Company and the Shareholding Association will enter into a share subscription agreement for the disposal and subscription of treasury stock.
- (2) The Company will pay special incentives to members of the Shareholding Association.
- (3) Members will receive special incentives and contribute the corresponding funds for acquiring the Company's common stock to the Shareholding Association.
- (4) The Shareholding Association will collect the special incentives contributed by members and pay for third-party allotment
- (5) The Company will dispose of its treasury stock to the Shareholding Association.
- (6) Through the Disposal, the common stock allotted to the Shareholding Association will be distributed and managed for members of the Shareholding Association through the outsourcing of stock administration by the Shareholding Association to Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

*Members of the Shareholding Association may withdraw their allotted shares of common stock to be put in brokerage accounts in their name.

3. The basis for calculation of disposal price and details

In view of recent stock price performance, the disposal price shall be 2,586 yen, the closing price for the Company's shares on the Tokyo Stock Exchange ("TSE") on February 1, 2023, which is the business day immediately prior to the date of the resolution by the Board of Directors on the Disposal of Treasury Stocks, in order to eliminate arbitrariness. The disposal price was set at the closing price of the Company's shares on the TSE on the business day immediately prior to the date of the Board of Directors meeting resolution, as this was the market price immediately prior to the date of the resolution, and the Company considered the price to be a highly objective and reasonable basis for

calculation.

With respect to the aforementioned disposal price, five Audit & Supervisory Board Members who attended the Board of Director's Meeting (three of whom are Outside Audit & Supervisory Board members) expressed their opinion that the disposal price is legitimate and reasonable as the basis for calculation and did not offer a particular advantage.

4. Procedures in accordance with the Corporate Code of Conduct

The dilution resulting from the Disposal of Treasury Stock is below 25% and this disposal does not involve any changes in controlling shareholders. Consequently, the Company is not required to execute procedures to obtain an independent third-party opinion and confirm the intent of shareholders as prescribed in Article 432 of the Securities Listing Regulations of the TSE.