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For Immediate Release

dip Corporation
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Notice of Transition to a Company with Audit & Supervisory Committee and Partial Amendments to Articles of Incorporation

dip Corporation (“dip”) announces that it will switch from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee and that it will submit a proposal on the partial amendments to its Articles of Incorporation, which involve the necessary amendments for the transition to a company with an Audit & Supervisory Committee, at the 26th Annual General Meeting of Shareholders to be held on May 24, 2023, as resolved at the Board of Directors meeting held on April 14, 2023. The details are as follows.

1. Transition to a company with an Audit & Supervisory Committee

(1) Purpose of the transition

By appointing audit and other committees consisting of board members to oversee the execution of directorial duties, we aim to strengthen the auditing and supervisory functions of the board and enhance our corporate governance framework.

(2) Timing of the transition

dip plans to switch to a company with an Audit & Supervisory Committee after obtaining approval for the necessary amendments to its Articles of Incorporation at the 26th Annual General Meeting of Shareholders to be held on May 24, 2023.

2. Partial amendments to the Articles of Incorporation

(1) Purpose of the amendments

To establish new provisions concerning the Audit & Supervisory Committee and its members and to delete provisions concerning corporate auditors and the Audit & Supervisory Board as necessary for the transition to a company with an Audit & Supervisory Committee. Provisions concerning the delegation of authority to executive directors will also be established to enhance management efficiency and enable agile decision-making.

Other necessary amendments will also be made.

(2) Details of the amendments

The details of the amendments are outlined in the Appendix.

(3) Time schedule

Planned date of general meeting of shareholders for amending the Articles of Incorporation:

May 24, 2023

Planned effective date of amendments to the Articles of Incorporation:

May 24, 2023

Current Articles of Incorporation	Proposed amendments
<p>Articles 1 to 18 (Text omitted)</p> <p>Chapter 4 Directors and the Board of Directors</p> <p>Article 19 (Text omitted)</p> <p>(Number of directors)</p> <p>Article 20 The Company shall appoint no more than <u>twelve (12)</u> directors.</p> <p>(Newly established)</p> <p>(Appointment of directors)</p> <p>Article 21 Directors shall be appointed by a resolution of the General Meeting of Shareholders.</p> <p>2. Resolutions on the appointment of directors shall require attendance by shareholders representing one-third of exercisable shareholder voting rights and require a majority vote among those present.</p> <p>3. Resolutions on the appointment of directors shall not be by cumulative vote.</p> <p>(Term of directors)</p> <p>Article 22 The term of service for directors shall be until the adjournment of the Regular General Meeting of Shareholders for the fiscal year concluding the one-year term of appointment.</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Representative director, <u>directors with special titles,</u> and chief executive officer)</p> <p>Article 23 The Company shall appoint a representative director by a resolution of the Board of Directors.</p> <p>2. The representative director shall represent the Company and execute Company operations.</p> <p>3. <u>The Board of Directors shall conduct a vote to</u></p>	<p>Articles 1 to 18 (Unchanged from the existing text)</p> <p>Chapter 4 Directors and the Board of Directors</p> <p>Article 19 (Unchanged from the existing text)</p> <p>(Number of directors)</p> <p>Article 20 The Company shall appoint no more than <u>eleven (11)</u> directors (<u>excluding directors who are Audit & Supervisory Committee members</u>).</p> <p><u>2. The Company shall appoint no more than five (5) directors who are Audit & Supervisory Committee members (hereinafter, "Audit & Supervisory Committee members").</u></p> <p>(Appointment of directors)</p> <p>Article 21 Directors shall be appointed by a resolution of the General Meeting of Shareholders, <u>distinguishing between Audit & Supervisory Committee members and other directors.</u></p> <p>2. Resolutions on the appointment of directors shall require attendance by shareholders representing one-third of exercisable shareholder voting rights and require a majority vote among those present.</p> <p>3. Resolutions on the appointment of directors shall not be by cumulative vote.</p> <p>(Term of directors)</p> <p>Article 22 The term of service for directors (<u>excluding Audit & Supervisory Committee members</u>) shall be until the adjournment of the Regular General Meeting of Shareholders for the fiscal year concluding the one-year term of appointment.</p> <p><u>2. The term of service for Audit & Supervisory Committee members shall be until the adjournment of the Regular General Meeting of Shareholders for the fiscal year concluding the two-year term of appointment.</u></p> <p><u>3. The term of service for Audit & Supervisory Committee members elected as substitutes shall be until the expiration of the term for the retiring Audit & Supervisory Committee member.</u></p> <p>(Representative director and chief executive officer)</p> <p>Article 23 The Company shall appoint a representative director <u>from among directors (excluding Audit & Supervisory Committee members)</u> by a resolution of the Board of Directors.</p> <p>2. The representative director shall represent the Company and execute Company operations.</p> <p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p><u>appoint one chairman of the Board of Directors and one director and president. Furthermore, the Board of Directors shall appoint a small number of people to each of the following positions: director and vice-president, senior managing director, and managing director.</u></p> <p>4. The Board of Directors shall appoint a representative director to the position of chief executive officer (CEO).</p> <p>Article 24 (Text omitted)</p> <p>(Notice concerning meetings of the Board of Directors) Article 25 Convening notices for meetings of the Board of Directors shall be issued to each director <u>and the corporate auditor</u> at least three days prior to the meeting date. However, this time frame may be reduced in the event of an emergency.</p> <p>Article 26 (Text omitted)</p> <p>(Omission of voting by Board of Directors) Article 27 When all directors vote, either in writing or electronically, to pass a motion before a meeting of the Board of Directors, it shall be deemed that an affirmative vote was passed by the Board of Directors to approve said resolution. <u>However, this shall not apply when a corporate auditor has voiced an objection.</u></p> <p>(Newly established)</p> <p>(Board of Directors' meeting minutes) Article 28 Deliberations and determinations of the meetings of the Board of Directors, and other matters mandated by law, shall be recorded in the meeting minutes. Directors <u>and corporate auditors</u> in attendance shall sign and affix their signatures or digital signatures to said minutes.</p> <p>Article 29 (Text omitted)</p> <p>(Directors' compensation, etc.) Article 30 Compensation for directors shall be determined by a resolution of the General Meeting of Shareholders.</p> <p>Article 31 (Text omitted)</p> <p>Chapter 5 <u>Corporate Auditors and Audit & Supervisory Board</u></p> <p>(<u>Corporate auditors and the establishment of an Audit & Supervisory Board</u>)</p>	<p>3. The Board of Directors shall appoint a representative director to the position of chief executive officer (CEO).</p> <p>Article 24 (Unchanged from the existing text)</p> <p>(Notice concerning meetings of the Board of Directors) Article 25 Convening notices for meetings of the Board of Directors shall be issued to each director at least three days prior to the meeting date. However, this time frame may be reduced in the event of an emergency.</p> <p>Article 26 (Unchanged from the existing text)</p> <p>(Omission of voting by Board of Directors) Article 27 When all directors vote, either in writing or electronically, to pass a motion before a meeting of the Board of Directors, it shall be deemed that an affirmative vote was passed by the Board of Directors to approve said resolution.</p> <p>(<u>Delegation of decision on execution of duties to directors</u>) Article 28 <u>In accordance with the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may delegate all or part of decisions on the execution of important duties (excluding matters listed in the items of paragraph (5) of said Act) to directors by a resolution of the Board of Directors.</u></p> <p>(Board of Directors' meeting minutes) Article 29 Deliberations and determinations of the meetings of the Board of Directors, and other matters mandated by law, shall be recorded in the meeting minutes. Directors in attendance shall sign and affix their signatures or digital signatures to said minutes.</p> <p>Article 30 (Unchanged from the existing text)</p> <p>(Directors' compensation, etc.) Article 31 Compensation for directors shall be determined by a resolution of the General Meeting of Shareholders, <u>distinguishing between Audit & Supervisory Committee members and other directors.</u></p> <p>Article 32 (Unchanged from the existing text)</p> <p>Chapter 5 <u>Audit & Supervisory Committee</u></p> <p>(The establishment of an <u>Audit & Supervisory Committee</u>)</p>

Current Articles of Incorporation	Proposed amendments
<p>Article 32 The Company shall <u>designate corporate auditors and establish an Audit & Supervisory Board.</u></p> <p><u>(Number of corporate auditors)</u> Article 33 The Company shall appoint no more than four (4) corporate auditors.</p> <p><u>(Appointment of corporate auditors)</u> Article 34 Corporate auditors shall be appointed by a resolution of the General Meeting of Shareholders.</p> <p>2. For votes to appoint corporate auditors, a quorum shall consist of shareholders representing at least one-third of exercisable shareholder voting rights, and the vote shall require a majority vote.</p> <p><u>(Term of corporate auditors)</u> Article 35 The term of service for corporate auditors shall be until the adjournment of the Regular General Meeting of Shareholders for the last fiscal year of the four-year term of appointment.</p> <p>2. The term of service for corporate auditors appointed to replace corporate auditors retiring prior to the expiration of their terms shall be until the expiration of the term for the retiring corporate auditor.</p> <p>3. The period during which the resolution of appointment for substitute corporate auditors appointed in accordance with Article 329, paragraph (3) of the Companies Act shall be up to the convening of the Regular General Meeting of Shareholders for the last fiscal year of the four-year term of the corporate auditor's appointment.</p> <p><u>(Full-time corporate auditor)</u> Article 36 The <u>Audit & Supervisory Board</u> shall appoint a full-time <u>corporate auditor</u> from among the <u>Audit & Supervisory Board members.</u></p> <p><u>(Audit & Supervisory Board meeting convening notice)</u> Article 37 Convening notices for <u>Audit & Supervisory Board</u> meetings shall be issued to each <u>corporate auditor</u> at least three days prior to the meeting date. However, this time frame may be reduced in the event of an emergency.</p> <p><u>(Audit & Supervisory Board voting method)</u> Article 38 Excluding separate provisions outlined in relevant laws, voting by the <u>Audit & Supervisory Board</u> shall require a majority vote.</p> <p><u>(Audit & Supervisory Board meeting minutes)</u> Article 39 <u>Audit & Supervisory Board</u> deliberations, said results, and other matters mandated by</p>	<p>Article 33 The Company shall establish an <u>Audit & Supervisory Committee.</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p><u>(Full-time Audit & Supervisory Committee member)</u> Article 34 The <u>Audit & Supervisory Committee</u> may appoint a full-time <u>Audit & Supervisory Committee member</u> from among the <u>Audit & Supervisory Committee members.</u></p> <p><u>(Audit & Supervisory Committee meeting convening notice)</u> Article 35 Convening notices for <u>Audit & Supervisory Committee</u> meetings shall be issued to each <u>Audit & Supervisory Committee member</u> at least three days prior to the meeting date. However, this time frame may be reduced in the event of an emergency.</p> <p><u>(Audit & Supervisory Committee voting method)</u> Article 36 Excluding separate provisions outlined in relevant laws, voting by the <u>Audit & Supervisory Committee</u> shall require a majority vote of <u>Audit & Supervisory Committee members who may participate in the vote.</u></p> <p><u>(Audit & Supervisory Committee meeting minutes)</u> Article 37 <u>Audit & Supervisory Committee</u> deliberations, said results, and other matters</p>

Current Articles of Incorporation	Proposed amendments
<p>law shall be recorded in the meeting minutes. <u>Corporate auditors</u> in attendance shall sign and affix their signatures or digital signatures to said minutes.</p> <p><u>(Audit & Supervisory Board regulations)</u> Article <u>40</u> Matters concerning the <u>Audit & Supervisory Board</u> shall be in accordance with the relevant laws, stipulations as set forth in these Articles of Incorporation, and the <u>Audit & Supervisory Board</u> regulations prescribed by the <u>Audit & Supervisory Board</u>.</p> <p><u>(Corporate auditor compensation, etc.)</u> Article <u>41</u> Compensation for corporate auditors shall be determined by a resolution of the General Meeting of Shareholders.</p> <p><u>(Limited liability for corporate auditors, etc.)</u> Article <u>42</u> In accordance with the provisions of Article <u>426</u>, paragraph (1) of the Companies Act, the Company may pass a resolution to exempt corporate auditors (including former corporate auditors) from damage liability for negligence up to the limit mandated by law.</p> <p><u>2. In accordance with the provisions of Article 427, paragraph (1) of the Companies Act, the Company may conclude an agreement with corporate auditors to limit damage liability due to negligence. However, the limit of liability based on said agreement shall be the amount stipulated by law.</u></p>	<p>mandated by law shall be recorded in the meeting minutes. <u>Audit & Supervisory Committee members</u> in attendance shall sign and affix their signatures or digital signatures to said minutes.</p> <p><u>(Audit & Supervisory Committee regulations)</u> Article <u>38</u> Matters concerning the <u>Audit & Supervisory Committee</u> shall be in accordance with the relevant laws, stipulations as set forth in these Articles of Incorporation, and the <u>Audit & Supervisory Committee</u> regulations prescribed by the <u>Audit & Supervisory Committee</u>.</p> <p>(Deleted)</p> <p>(Deleted)</p>
<p style="text-align: center;">Chapter 6 Accounting Auditor</p> <p>Articles <u>43</u> to <u>45</u> (Text omitted)</p> <p><u>(Accounting auditor compensation, etc.)</u> Article <u>46</u> Compensation for the accounting auditor shall be determined by the representative director subject to approval by the <u>Audit & Supervisory Board</u>.</p> <p style="text-align: center;">Chapter 7 Accounting</p> <p>Articles <u>47</u> to <u>49</u> (Text omitted)</p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">Chapter 6 Accounting Auditor</p> <p>Articles <u>39</u> to <u>41</u> (Unchanged from the existing text)</p> <p><u>(Accounting auditor compensation, etc.)</u> Article <u>42</u> Compensation for the accounting auditor shall be determined by the representative director subject to approval by the <u>Audit & Supervisory Committee</u>.</p> <p style="text-align: center;">Chapter 7 Accounting</p> <p>Articles <u>43</u> to <u>45</u> (Unchanged from the existing text)</p> <p><u>Supplementary Provisions</u></p> <p><u>(Transitional measures concerning corporate auditors' exemption from liability)</u></p> <p><u>1. The Company may exempt corporate auditors (including former corporate auditors) as prescribed in Article 423, paragraph (1) of the Companies Act from damage liability in relation to their acts prior to the adjournment of the 26th Annual General Meeting of Shareholders up to the limit mandated by law by a resolution of the Board of Directors.</u></p> <p><u>2. Agreements to limit damage liability prescribed in Article 423, paragraph (1) of the Companies</u></p>

Current Articles of Incorporation	Proposed amendments
	<u>Act in relation to acts by corporate auditors (including former corporate auditors) prior to the adjournment of the 26th Annual General Meeting of Shareholders shall still be in accordance with the provisions of Article 42, paragraph (2) of the Articles of Incorporation prior to the amendments by a resolution of said General Meeting of Shareholders.</u>