

# 2025

Sojitz ESG BOOK



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# Message from the President



## Maximizing “Value for Sojitz” and “Value for Society” to Create a Future of Prosperity



At Sojitz, sustainability management is based on our vision of becoming a “general trading company that constantly cultivates new businesses and human capital.” In accordance with this vision, we aim to maximize our two types of value—“value for Sojitz” and “value for society.” By striving to achieve sustainable growth both for Sojitz and society, we can realize long-term sustainable growth for Sojitz and continue to raise our corporate value further.

In order to achieve our vision for 2030 to become a “general trading company that constantly cultivates new businesses and human capital,” we will reinforce our business bases and enhance our human capital under the current Medium-term Management Plan 2026. Based on this plan, we will create a Sojitz growth story that generates competitive business clusters to realize high returns and value creation.

The United Nations Climate Change Conference (COP) is held annually as an international forum to discuss climate change, and the sustainability movement is underway with the goal of achieving carbon neutrality by 2050 in accordance with the Paris Agreement. Against this backdrop, Sojitz has focused its efforts on both realizing a decarbonized society through its business activities and upholding human rights within its supply chains in order to realize the Sustainability Challenge, the company’s long-term sustainability vision leading up to 2050, which was announced in 2018.

Under the previous Medium-term Management Plan 2023, Sojitz reduced thermal coal interests and the Group’s Scope1 and 2 emissions, implemented measures to address Scope3 emissions, and developed renewable energy and energy-efficiency businesses in order to contribute to a decarbonized society. On the human rights front, Sojitz identified “high-risk businesses” and then carried out analysis and evaluation to create countermeasures that address these risks. We have also continued to promote awareness and education programs related to Sojitz Group’s human rights policies. At Sojitz, we have worked to address new sustainability issues, approaches, and needs as the sustainability landscape continues to evolve at a rapid rate.

Under Medium-term Management Plan 2026, we will continue our Sustainability Challenge initiatives to reduce Group emissions while simultaneously expanding new energy and other sustainable businesses that will contribute to the realization of a decarbonized society. Additionally, in the human rights field, Sojitz will conduct a PDCA cycle for human rights risk assessments to understand and further enhance its ability to address human rights issues on-site at the individual business level.

I assumed my role as Sojitz president at the same time we launched Medium-term Management Plan 2026. As president, I recognize decarbonization is one of the most important management issues as decarbonization will greatly impact sustainable growth both for Sojitz and society. In January 2024, we established the Energy Transformation Department with the aim of promoting decarbonization businesses such as new energy through company-wide engagement. The Energy Transformation Department will operate under my direct supervision along with other senior management, and the department will collaborate closely with each business division and the Investor Relations & Corporate Sustainability Department to advance decarbonization-related businesses.

We will continue to promote sustainability management moving forward and look forward to your continued support of Sojitz Group.

President & CEO  
Kosuke Uemura

\* Sojitz Group's aims to promote sustainability through its business activities, which support international standards such as the 10 principles of the United Nations Global Compact, COP21's Paris Agreement, and Sustainable Development Goals.

# Corporate Profile

Sojitz Corporation was formed out the union of Nichimen Corporation and Nissho Iwai Corporation, both companies that boast incredibly long histories. For more than 160 years, our business has helped support the development of countless countries and regions. Today, the Sojitz Group consists of approximately 500 subsidiaries and affiliates located in Japan and throughout the world, developing wide-ranging general trading company operations in a multitude of countries and regions.

As of September 30, 2025

|   |   |
|---|---|
| Company Name  | Sojitz Corporation  |
| Established   | <p>April 1, 2003<br/>(Nissho Iwai-Nichimen Holdings Corporation established on April 2003., Sojitz Corporation established on April 2004.)</p> <p>In 2003, Nissho Iwai-Nichimen Holdings Corporation was established as a joint holding company to integrate Nichimen Corporation and Nissho Iwai Corporation's businesses. In 2004, Nichimen Corporation and Nissho Iwai Corporation merged to become Sojitz Corporation.</p>  |
| Capitalization  | 160,339,000,000 yen   |
| Representative  | Kosuke Uemura<br>Representative Director, President & CEO   |
| Head Office   | <p>1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo 100-8691, Japan<br/>TEL:81-3-6871-5000<br/>FAX:81-3-6871-2430<br/><a href="#">Map</a></p>  |
| Number of Branches & Offices<br><small>*as of September 30, 2025</small>          | <p>Domestic 5 (Including the Head Office)<br/>Overseas 81</p>   |
| Number of subsidiaries and affiliates<br><small>*as of September 30, 2025</small> | <p>Domestic 133<br/>Overseas 394</p>  |
| Number of Employees<br><small>*as of September 30, 2025</small>                   | <p>Non consolidated 2,585<br/>Consolidated 26,434</p>   |
| Main Businesses   | <p>Sojitz Group is engaged in a wide range of businesses globally, including manufacturing, selling, importing, and exporting a variety of products, in addition to providing services and investing in diversified businesses, both in Japan and overseas. Sojitz operates with a 7-division structure comprising the Automotive Division; the Aerospace, Transportation &amp; Infrastructure Division; the Energy Solutions &amp; Healthcare Division; the Metals, Mineral Resources &amp; Recycling Division; the Chemicals Division; the Consumer Industry &amp; Agriculture Business Division; and the Retail &amp; Consumer Service Division.</p> |
| Stock Exchange Listings   | Tokyo Stock Exchange  |

## Access



|                         |  |
|-------------------------|--|
| <p>Location</p>         | <p>lino Building, 1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo<br/> <a href="#">Google MAP</a><br/>                 * General reception is located at 3rd floor.</p>  |
| <p>Accessible Lines</p> | <ul style="list-style-type: none"> <li>• Kasumigaseki Station Exit C4 (direct connection to lino Bldg.)/Exit C3 (1-minute walk) Tokyo Metro: Hibiya and Chiyoda Lines</li> <li>• Kasumigaseki Station Exit B2 (5-minute walk) Tokyo Metro: Marunouchi Line</li> <li>• Uchisaiwaicho Station Exit A6 (6-minute walk via Hibiya City) on the Toei Subway Mita Line</li> <li>• Toranomom Station Exit 1, 9, 10 (3-minute walk) Tokyo Metro: Ginza Line</li> <li>• Shimbashi Station (10-minute walk) JR: Yamanote, Keihin-Tohoku, Tokaido, Yokosuka Lines; Toei Subway: Asakusa Line; Yurikamome</li> </ul> |

## Company Presentation Video



An introduction to Sojitz's Corporate Statement, approach to human capital, and the strategies central to Medium-term Management Plan 2026 – Set for Next Stage –. Sojitz continues to take on new challenges in order to deliver essential goods and services to communities across the world.  
 (3min. 22sec. Updated in April 2025)

# Corporate Profile









The pamphlet introduces Sojitz in 24 pages.  
(Updated in October 2025)

# Materiality

To continue creating these “two types of value” in the future, Sojitz has determined 6 Materiality (Key Sustainability Issues) to focus on in our business over the medium- to long-term. Based on these issues, we are striving to integrate solutions to global environmental and social problems with our corporate activities and build systems for such integration.



|  |  |  |
|--|--|--|
| <p> <b>Human Rights</b></p> <p><b>Respect the human rights of people involved in our businesses</b></p> <p>Sojitz respects the human rights of people involved in its businesses. This applies not only to Sojitz employees, but also to everyone affected by Sojitz’s businesses throughout its supply chains. Should there be any instances of child labor or forced labor, we will rectify them.</p> <p><a href="#">View details→</a></p>                                    | <p> <b>Environment</b></p> <p><b>Contribute to the global environment through our businesses</b></p> <p>Sojitz strives to preserve the environment and create businesses that are both highly competitive and environmentally friendly by pursuing environmental sustainability in its businesses. We work to minimize our environmental burden with initiatives that include preventing climate change, reducing CO<sub>2</sub> emissions, and preserving biodiversity.</p> <p><a href="#">View details→</a></p> | <p> <b>Resources</b></p> <p><b>Develop, supply and use sustainable resources*</b></p> <p>Sojitz pursues the development, supply, and use of sustainable resources. We strive to conserve resources, propose suitable energy mixes, and provide a stable supply of resources.<br/>*Includes energy, mineral, food, water, forest, marine, and other resources</p> <p><a href="#">View details→</a></p> |
| <p> <b>Local Communities</b></p> <p><b>Develop and grow together with local communities</b></p> <p>Sojitz promotes businesses that grow together with local communities. We work to reduce environmental and social burdens on local communities through our businesses. Through ongoing communication with local communities, we strive to achieve business sustainability, address local problems, and support children’s education.</p> <p><a href="#">View details→</a></p> | <p> <b>Human Resources</b></p> <p><b>Promote opportunities for diverse human resources and workplace diversity</b></p> <p>The greatest business asset is a diverse workforce. We strive to build a positive work environment, to establish systems for hiring, evaluating and training employees, and to promote diversity in the workplace through active involvement of human resources with diverse values.</p> <p><a href="#">View details→</a></p>   | <p> <b>Governance</b></p> <p><b>Emphasize effectiveness and transparency</b></p> <p>Sojitz strives for corporate governance and transparency by strategically linking Group activities, including compliance and efforts to achieve medium- to long-term business</p> <p><a href="#">View details→</a></p>  |

# Systems for Enacting Corporate Sustainability

In order to advance sustainability-oriented management and operations, Sojitz has established a Sustainability Committee with the president of Sojitz serving as its Committee Chair, as well as a dedicated Investor Relations & Corporate Sustainability Department.

The Sustainability Committee's activities include establishing company-wide sustainability-related policies and goals, constructing frameworks for their implementation, and monitoring various measures that utilize the ISO 14001 environmental management system standard.

Additionally, the Finance & Investment Deliberation Council is checking individual proposals for their relevance in terms of environmental or social risks and sustainability.

## Sustainability Committee Members (Current as of April 1, 2025)

|                 |  |
|-----------------|--|
| Committee Chair | <ul style="list-style-type: none"> <li>• President, CEO</li> </ul>   |
| Members         | <ul style="list-style-type: none"> <li>• CFO</li> <li>• Executive Management of Corporate Departments</li> <li>• Executive Officer, COO, PR Department, IR &amp; Corporate Sustainability Department</li> <li>• Executive Officer, COO, Corporate Planning Department, Energy Transformation Department, M&amp;A Strategy &amp; Value Creation Office</li> </ul> |
| Observers       | <ul style="list-style-type: none"> <li>• Director, Audit and Supervisory Committee Member</li> <li>• General Manager, Legal Department</li> <li>• General Manager, Corporate Planning Department</li> <li>• General Manager, Human Capital Department 1</li> </ul>   |
| Secretariat     | <ul style="list-style-type: none"> <li>• IR &amp; Corporate Sustainability Department</li> </ul>   |

## Systems to Promote and Implement Sustainability



## Deliberation by the Sustainability Committee

In addition to discussing areas of focus and future courses of action for the company in the mid- and long-term, including Materiality (Key Sustainability Issues) and related sustainability goals, the Sustainability Committee also deliberates on concrete policies concerning responses to environmental and social (human rights risks), climate change countermeasures, biodiversity policies, ESG disclosures and response to evaluation by society, environmental ISOs, social contribution activities, and other topics.

< Key matters approved/reported at FY2024 Sustainability Committee >

|                          |              |  |
|--------------------------|--------------|--|
| Board of Directors       | 2 times/year | <ul style="list-style-type: none"> <li>• Sustainability initiatives under the "Medium-Term Management Plan 2026"</li> <li>• Sustainability initiatives in FY2024</li> </ul>  |
| Sustainability Committee | 4 times/year | <ul style="list-style-type: none"> <li>• Climate change response</li> <li>• Human rights initiatives</li> <li>• Natural capital (biodiversity and water risk)/TNFD disclosure</li> <li>• Environmental management system (ISO14001)</li> <li>• Sustainability information disclosure</li> <li>• External ESG evaluations</li> <li>• Stakeholder dialogues</li> </ul> |

## Managing Environmental & Social Risk

### Risk Management by the Sustainability Committee / Reports Submitted to the Board of Directors (Supervisory Body)

Sojitz Group classifies and defines the many risks associated with our businesses according to our Basic Code of Corporate Risk Management ( [Risk Management](#) ), and we establish a risk management policy and management plan for these risks each year, based on a resolution by the Board of Directors. Among these risks, countermeasure policy and initiatives regarding environmental and social risk (including risk related to climate change) are deliberated by the Sustainability Committee. These policies and initiatives may then be put into action following a report to the Management Committee and Board of Directors.

### Conducting Scenario Analysis

One of the ways we confirm climate change risk is by conducting sequential analysis of the business fields believed to present the greatest risks to Sojitz Group's corporate strategy, business activities, and financial planning. We then analyze the financial impacts of these risks. In particular, we conduct scenario-based assessments of our coal interests and power generation businesses, as these are important business areas in our portfolio and ones at high risk of impact from environmental regulations.

Imagining and analyzing the impact on our company based on multiple potential scenarios has enabled us to develop a forecast for how we can respond to changing conditions in the future. For all scenarios, we came to the conclusion that any impact on our business would be limited.

[Complying with TCFD\(Transition Risks\)](#)



[Complying with TCFD\(Physical Risks\)](#)



## New Investment Projects

In addition to examining a project's business plan, deliberation on all business investments and loans require projects to be analyzed and evaluated for risks to the environment (including climate change-related risks) and risks to society (such as the risk of impacting local residents and labor safety-related risks). A project's value must be confirmed from a sustainability perspective prior to resolution.

## Establishing Action Plans for Departments and Offices

The policies and items resolved by the Sustainability Committee and reported to the Management committee and Board of Directors are made known to employees not only through the company intranet, but also through regularly held briefing sessions with each department, organized by the Sustainability Committee secretariat.

Items resolved by the Sustainability Committee are established by each department and office at the beginning of the period. These consist of 1) environmental impact of business activities around the world, and an analysis of related laws and regulations; and 2) goal setting and action plans to mitigate these environmental impacts, including those related to climate change. These items are reviewed by each department and office every six months, and the results of these reviews are evaluated by the Sustainability Committee and reported to the Management Committee at the beginning of the following year.

The progress business divisions make towards achieving these climate change-related goals is also reflected in each organization's performance evaluation.

## Compliance Initiatives

Sojitz has established the Sojitz Group Compliance Program to outline steps for ensuring thorough compliance, and the Sojitz Group Code of Conduct and Ethics as an action guide for employees. Sojitz also works to promote thorough understanding of compliance by distributing a booklet of case studies and a hotline card to all executives and employees to supplement the Code manual. Moreover, as thorough understanding of compliance requires steadily and consistently reinforcing policies, Sojitz conducts a variety of training programs for Group employees and officers such as e-learning and compliance training.

In addition, to prevent corruption, Sojitz has established the Sojitz Group Anti-Corruption Policy and the Sojitz Group Anti-Corruption Guidelines, and is also implementing corresponding regulations at overseas Group companies and bases.

About Compliance, see [this page](#) for details.

About Human Rights, see [this page](#) for details.

# Complying with TCFD

## Disclosure Based on TCFD Recommendations

### Disclosure Policy

In August 2018, Sojitz declared its endorsement of the final recommendations of the TCFD.

Sojitz Group is actively working to disclose information and improve transparency by utilizing the TCFD framework regarding risks and opportunities related to climate change.



### Status of initiatives according to the TCFD framework

**Governance**

The Sustainability Committee, chaired by the President & COO, meets at least four times a year. Policies, issues, and other matters discussed by the Sustainability Committee are brought up for deliberation or are reported to the Management Committee and the Board of Directors. The Board of Directors supervises this process and gives directives as necessary.



**Risk Management**

The Sustainability Committee evaluates and identifies CO<sub>2</sub> emissions risks in each business conducted by Sojitz Group. In addition, Sojitz confirms individual business risks as part of the deliberation process of the Finance & Investment Deliberation Council and shares this information with each business division through the Management Committee. Furthermore, Sojitz holds stakeholder dialogues to discuss and confirm the impact of climate-related risks and opportunities on our businesses.

## Strategy

### 【Formulating Sojitz’s actions and approach based on anticipated technological trends for each decade】

Sojitz identifies the technological and global trends of each decade and organizes its thinking and policies based on risks and opportunities for Sojitz. Sojitz will continue to monitor external trends and update its approach and ways of thinking.

| Outlook for technological progress and social trends                                     |      |      |      |      | Sojitz assumption   |   |
|--|------|------|------|------|---|---|
| 2020   | 2025 | 2030 | 2040 | 2050 | Opportunities   | Specific business examples  |
| Expand business that utilizes energy/materials that support transition periods           |      |      |      |      | Increased demand for LNG/natural gas and carbon neutral fuel used in the transition toward a low carbon or decarbonized society | <ul style="list-style-type: none"> <li>High efficiency gas thermal combined cycle power generation</li> <li>Liquefied natural gas (LNG) related business (LNG Japan)</li> <li>Overseas natural gas downstream distribution/retail business</li> <li>High-grade overseas iron mining business for electric furnaces</li> </ul> |
| Transition to renewable energy   |      |      |      |      | As the market continues to expand, increase investment in transitioning to decarbonization businesses                           | <ul style="list-style-type: none"> <li>Solar/wind power generation</li> <li>Overseas electricity retail in and outside Japan</li> <li>Biomass power generation</li> <li>Solar power installed on roofing for industrial use</li> </ul>  |
| Increased need for energy conservation services  |      |      |      |      | Increased demand in developed nations and others for energy conservation businesses corresponding with shortage of energy       | <ul style="list-style-type: none"> <li>US energy conservation services/ESCO business</li> <li>Australia energy conservation services/ESCO business</li> </ul>   |
| Increase in circular businesses  |      |      |      |      | Promotion and expansion of resource recovery business from urban mines  | <ul style="list-style-type: none"> <li>Appliance/electronic reuse and recycle business in and outside Japan</li> </ul>  |
| Increased demand for biomass fuel and synthetic fuels                                    |      |      |      |      | Growth in demand and investment opportunities related to decarbonized fuel and supply chain development                         | <ul style="list-style-type: none"> <li>Investment in next-generation renewable fuel production companies</li> <li>Acquisition of overseas RNG production business companies</li> </ul>  |
| Development and utilization of clean hydrogen/ammonia                                    |      |      |      |      | Growth in demand and investment opportunities related to decarbonized fuel and supply chain development                         | <ul style="list-style-type: none"> <li>Investment in turquoise hydrogen production technology development companies</li> <li>Joint development of green ammonia production project</li> </ul>   |
| Utilization of carbon offset solutions (Decrease of carbon credit, CCS, CCUS, DAC, etc.) |      |      |      |      | Increased demand and investment opportunities for decarbonization of fossil fuel businesses                                     | <ul style="list-style-type: none"> <li>Carbon credit</li> <li>CCS/CCUS</li> <li>Small-scale, dispersed DAC mechanism development</li> <li>Overseas forest carbon credit generation fund</li> </ul>  |

## Transition Risks

### 【Conducting scenario analysis of future risks and opportunities】

Based on external investigations and internal analysis, we are working on sequential scenario analysis of the business fields believed to present the greatest risks and opportunities to our Group’s business activities, management strategy, and financial planning. The scenario analysis is then analyzed to determine financial impact.

|                             | Risks  | Opportunities   |
|-----------------------------|--|---|
| Coal businesses             | <p><b>Analysis Method:</b><br/>Using scenarios projecting average global warming of 1.5°C above pre-industrial levels, we analyze the potential financial impact on Sojitz’s assets based on forecasts for coal demand and prices leading up to 2050.</p> <p><b>Financial Impact</b><br/>Certain assets may suffer declines in value as a result of increased production costs should the conditions described by scenarios projecting average global warming of 1.5°C above pre-industrial levels become a reality.</p> | <p>All scenarios analyzed by the Group estimate increases in supply and demand for renewable energy. Moreover, the Sojitz Group views the transition to a decarbonized society as a business opportunity. We are thus working to capitalize on this opportunity through renewable energy and other decarbonization businesses as well as through businesses that support the transition, such as high efficiency gas-fired thermal power generation and energy saving service businesses.</p> |
| Power generation businesses | <p><b>Analysis Method:</b><br/>Using scenarios projecting average global warming of 1.5°C above pre-industrial levels, we analyze the potential financial impact on Sojitz’s assets based on forecasts for carbon prices and supply and demand conditions.</p> <p><b>Financial Impact</b><br/>The range of power plants that would be impacted by changes in carbon prices and supply and demand conditions would be limited, and the financial impact on the Company would thus also be limited.</p>                    |   |

In addition, we will further strengthen our efforts in the area of circular economy, which is essential for achieving a decarbonized society.

## Physical Risks

In addition to preparing for transition risks, we are also planning ways to address physical risks in the event that climate change cannot be curbed and global warming continues to progress. To begin with, we are examining the risks to our assets, primarily focusing on water-related risks such as floods and droughts.

Sojitz conducts regular surveys to confirm impacts on Sojitz’s businesses by utilizing the Aqueduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) provided by the World Resources Institute. Under Medium-term Management Plan 2023, Sojitz addressed physical risks classified by the TCFD framework and measured the financial impacts for company assets identified as having potential flood-related risk, which was considered an acute physical risk.

Amount of damages to company assets (tangible fixed assets) in the event of a flood: JPY 29 billion

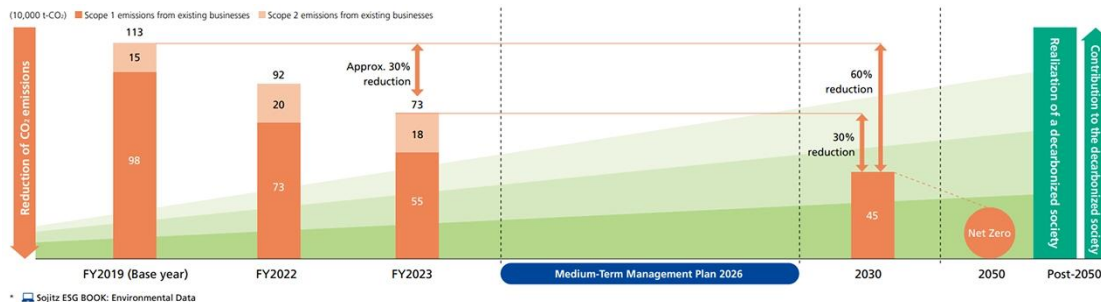
\* Tangible fixed assets in the “Extremely High” and “High” category in the Aqueduct analysis tool as of end of March 2025.

Sojitz ESG BOOK Water Resources ➤

### Metrics and Targets

#### Sojitz’s Decarbonization Roadmap

● We have set policies and targets for existing and new businesses moving forward. For existing businesses, we have set CO<sub>2</sub> reduction targets according to the international standards for CO<sub>2</sub> emissions (SCOPE). For new businesses, we see the transition to a decarbonized society as an opportunity and will actively promote this transition while tailoring our approach in each business to achieving net-zero emissions.



● Sojitz Group’s Policies for Realizing a Decarbonized Society (established in March 2021) [Click](#) for details

#### Existing businesses

##### [Scope1 and Scope2 Targets]

Scope1 encompasses all of the CO<sub>2</sub> generated directly by the company from burning resources such as gas. Scope2 mainly refers to the CO<sub>2</sub> generated by the company’s consumption of electricity. Both Scope1 and Scope2 emissions are direct emissions attributable to the company’s energy use, and Sojitz Group emits roughly 1 million tons of CO<sub>2</sub> annually. Although Scope1 and Scope2 emissions are limited compared to our indirect emissions from natural resource interests (Scope3), we believe that decarbonization is necessary for strengthening the resilience of our revenue base and therefore aim to achieve the following decarbonization targets.

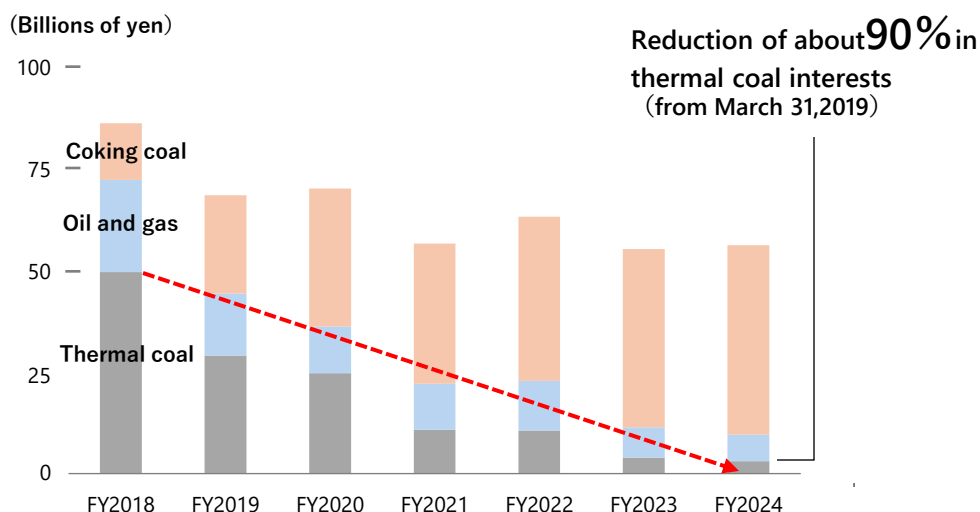
|                             |  |
|-----------------------------|--|
| SCOPE1+2                    | Reduce emissions 60% by 2030; achieve net-zero emissions by 2050 *1<br>For Scope2: Net-zero emissions by 2030 *2 |
| Coal-fired power generation | No current projects nor future projects planned  |

\*1, \*2 Reductions from base year of FY2019, scope includes Sojitz Corporation (non-consolidated), consolidated subsidiaries, and unincorporated joint ventures subject to reporting based on Sojitz approach toward control of management

**[Scope3 Targets (Natural Resource Interests)]**

|                        |   |
|------------------------|---|
| Thermal coal interests | Reduce interests to half or less by 2025<br>zero interests by 2030 *3 |
| Oil interests          | Zero interests by 2030  |
| Coking coal interests  | Zero interests by 2050  |

\*3 FY2018 serves as the base year, and targets are based on the book value of assets in coal interests. Sojitz has achieved its goal announced in May 2019 of reducing thermal coal interests to half or less by 2030 ahead of schedule.



**[New business]**

We have adjusted our approach to decarbonization for each business and aim to achieve net zero CO<sub>2</sub> emissions by 2050.

< Decarbonization Policy and Progress Status >

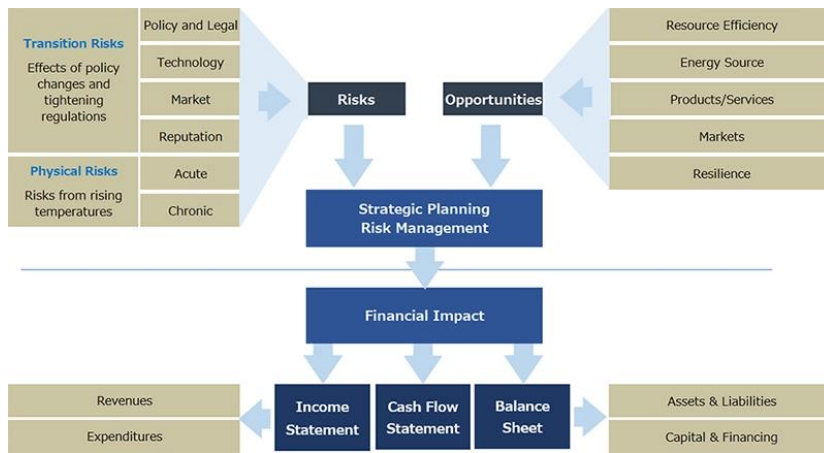
As of March 2025, progress in Scope 1 and Scope 2 has achieved approximately a 40% reduction, while thermal coal interests have already achieved approximately a 90% reduction.

The aforementioned goals are based on the current future forecast and will be subject to review in accordance with social trends and technological developments.

## What is TCFD?

TCFD stands for Task Force on Climate-related Financial Disclosures. The TCFD is an initiative created by the Financial Stability Board (FSB) based on the request from the G20 seeking a review of the financial industry from the perspective of financial stability and preventing loss of assets as the financial world undergoes fundamental and serious changes in transition to a low-carbon economy.

TCFD encourages companies to assess and consider future financial effects that result from the risks and opportunities presented by climate change.



Source: Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures (June 2017)

## TCFD-recommended Framework for Climate-related Financial Disclosures

TCFD presents a voluntary framework for helping businesses disclose climate-related financial information. The TCFD recommends disclosure in relation to risks and opportunities linked to climate change in terms of four themes: governance, strategy, risk management, and metrics and targets.

Additionally, it recommends incorporating climate-related scenario analysis as a distinctive part of strategic planning.

|   |  |
|---|--|
| <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• Ensure oversight by the Board of Directors</li> <li>• Define the role of management in assessing and managing risks and opportunities</li> </ul>  | <p><b>Risk Management</b></p> <ul style="list-style-type: none"> <li>• Describe the processes for identifying and assessing risks</li> <li>• Describe the processes for managing risks</li> <li>• Integrate those processes into overall risk management</li> </ul>              |
| <p><b>Strategy</b></p> <ul style="list-style-type: none"> <li>• Identify the climate-related risks and opportunities over the short, medium, and long term</li> <li>• Describe the impact on the company's businesses, strategy, and financial planning</li> <li>• Incorporate scenario analysis in strategic planning</li> </ul> | <p><b>Metrics and Targets</b></p> <ul style="list-style-type: none"> <li>• Set targets for evaluating risk</li> <li>• Disclose greenhouse gas emissions and the related risks</li> <li>• Describe the targets and relevant Key Performance Indicators to manage risks</li> </ul> |



# Complying with TNFD

## Disclosure Based on TNFD Recommendations

### Disclosure Policy

Sojitz endorsed the TNFD in 2023 and has registered as a TNFD Adopter in September 2025. Sojitz Group utilizes the framework provided by the Taskforce on Nature-related Financial Disclosures (TNFD)\* with the aim of actively disclosing information on nature-related risks and opportunities.

\* Taskforce on Nature-related Financial Disclosures (TNFD): A global initiative established by organizations including the United Nations Development Programme (UNDP) as a framework for organizations to disclose nature-related risks and opportunities to investors and the market.

### General Disclosure Requirements

#### 1. Application of Materiality

Sojitz has set focus areas including the “Environment” and “Resources” as part of its Materiality (Key Sustainability Issues) and aims to provide solutions to social issues through its business activities while reinforcing and expanding a business foundation for sustainable growth.

#### 2. Scope of Disclosures

Disclosures cover Sojitz Corporation and major Group company locations in addition to partners across the entire value chain from upstream to downstream.

#### 3. Location of Nature-Related Issues

Sojitz has identified high-priority geographic areas within the value chain for the marine product business where dependence on natural capital is high.

#### 4. Integration with Other Sustainability-Related Disclosures

Sojitz has analyzed and disclosed climate-related risks and opportunities in line with recommendations set by the Task Force on Climate-related Financial Disclosures (TCFD). Going forward, we will further strengthen our response to nature-related risks and opportunities, including natural capital and biodiversity, and advance disclosures aligned with TNFD recommendations. Sojitz will build on the knowledge gained through TCFD initiatives and explore the implementation of integrated disclosures that encompass both TCFD and TNFD.

#### 5. Timeline

In Medium-term Management Plan 2026, Sojitz will identify impacts on natural capital, including biodiversity and water resources, and consider appropriate response measures.

## 6. Engagement with Indigenous Peoples, Local Communities, and Affected Stakeholders

In accordance with the Sojitz Group Human Rights Policy, we recognize the importance of dialogue with Group employees, workers, and external stakeholders who are affected (or may potentially be affected) by Sojitz Group’s business activities. We engage in dialogue with stakeholders on human rights issues related to our business.

### Governance

Sojitz has established a governance structure that comprises the Board of Directors, the Management Committee, and the Sustainability Committee. The Board of Directors oversees sustainability issues including nature-related dependencies and impacts as well as risks and opportunities. The Management Committee, chaired by the president, deliberates and makes decisions on nature-related strategies and key measures. The Sustainability Committee, also chaired by the president, convenes at least four times a year to develop policies and systems to advance sustainability initiatives, identify risks and opportunities, set metrics and targets, and monitor progress. The Sustainability Committee regularly reports its activities to the Management Committee and Board of Directors.



### Sojitz Group Stakeholders

Sojitz Group is engaged in a wide range of businesses globally. We have the opportunity to connect with many stakeholders through our business activities in different countries and regions around the world.

At Sojitz Group, we conduct business activities based on valued feedback from our stakeholders and place great importance on building relationships based on trust.



## ■ Human Rights Policy

Acting in accordance with the Sojitz Group Human Rights Policy, we are committed to respecting human rights as set out in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and Sojitz conducts activities in accordance with the UN Guiding Principles on Business and Human Rights. The Sustainability Committee deliberates on policies and measures to address environmental and social risks, including human-rights-related risks, and implements decisions across the organization after reporting to the Management Committee and the Board of Directors. Through stakeholder dialogue, Sojitz Group carries out a process encompassing (i) policy formulation and communication, (ii) risk assessment, (iii) improvement and remedy, and (iv) disclosure of outcomes. We take prompt corrective action when risk assessments or grievance mechanisms reveal areas for improvement.

### Read more

> [ESG BOOK – Human Rights](#)

## Risk and Impact Management

### ■ Identification and Assessment of Nature-related Issues

We assess risk and impacts related to natural capital (biodiversity and water) at Sojitz Corporation, Group company sites, and across the supply chain from upstream to downstream. Based on TNFD guidance, we used the ENCORE tool to identify businesses with high dependencies and impacts on natural capital within our portfolio. We then applied the LEAP approach (Locate, Evaluate, Assess, Prepare) to conduct analysis of our marine products value chain, which is one of Sojitz's key focus areas. In addition, we use the World Resources Institute's Aqueduct tool for analyzing water-related risks to assets, such as floods and droughts.

### ■ Management Processes for Nature-related Issues

The Sustainability Committee deliberates on policies to address environmental issues such as biodiversity, which are advanced under the supervision of the Board of Directors following reports to the Management Committee and the Board. We analyze and evaluate environmental and social risks, including biodiversity impacts in investment and loan deliberations, in order to confirm the strategic rationale of projects from a sustainability perspective and to resolve proposals on investment execution. The Investor Relations & Corporate Sustainability Department leads day-to-day implementation, executing directives from the Sustainability Committee and conducting sustainability reviews (covering biodiversity) of investment and loan proposals.

### ■ Integration into Enterprise Risk Management

Under our enterprise risk management (ERM) framework, the Internal Control Committee—with the president and CFO serving as members—coordinates with relevant internal committees to discuss and establish ERM policies, maintains a comprehensive view of risk, monitors risk management executed by business execution organizations (the first and second lines of risk management), and issues guidance to relevant parties. As the third line of defense, the Internal Audit Department independently verifies the risk management practices of the first and second lines. Enterprise-level risks encompass environmental and social risks, which include natural capital. The Internal Control Committee regularly reports the status of these risks to the Management Committee, the Board of Directors, and the Audit and Supervisory Committee.

## Strategy

In accordance with TNFD guidance, we have confirmed Sojitz’s nature-related dependencies and impacts following the steps outlined in the diagram below.



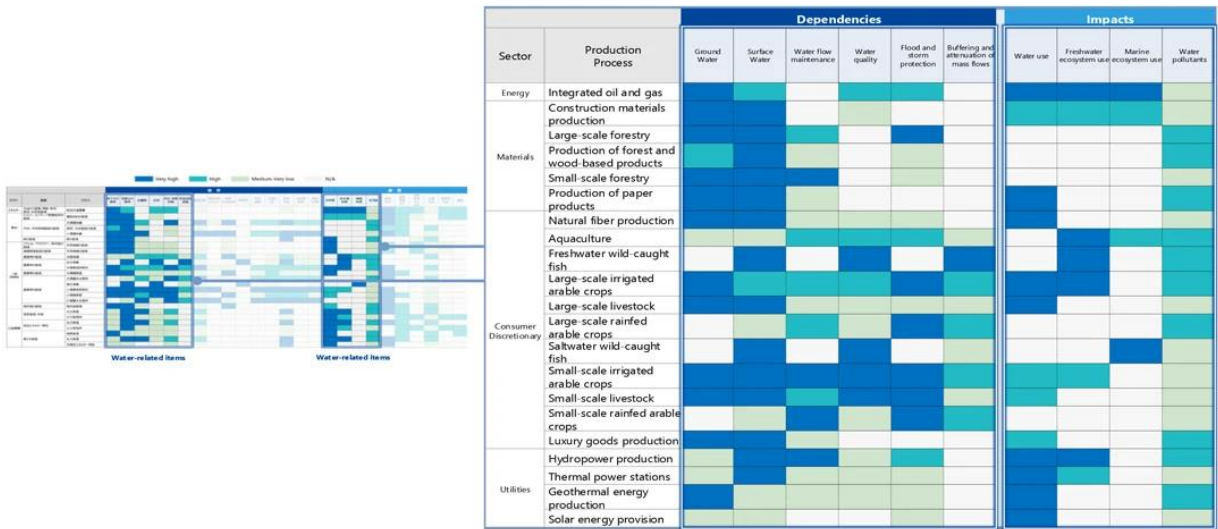
### Identifying Businesses with High Nature related Dependencies and Impacts as Targets for Analysis

In line with TNFD guidance, we used the analytics tool ENCORE\* to first confirm the dependencies and possible impacts of the average business on natural capital. As a result of this ENCORE analysis, we identified 25 businesses with high dependencies and impacts in our portfolio. For both impacts and dependencies, the company showed high overall scores in the water category out of the various ecosystem components. TNFD’s LEAP approach (Locate, Evaluate, Assess, and Prepare) was used for analysis of Sojitz’s marine products value chain, which is one of the company’s key focus areas that includes businesses such as Sojitz Tuna Farm Takashima and marine product processor TRY Inc.

\* ENCORE (Exploring Natural Capital Opportunities, Risk and Exposure):

An analysis tool to help private enterprises understand the magnitude of their nature-related dependencies and impacts, which was jointly developed by the UN Environment Programme (UNEP) and The Natural Capital Finance Alliance (NCFA).

## ENCORE Analysis of Sojitz’s Business Portfolio



## LEAP Analysis of Our Marine Products Value Chain

### Locate: Identify the organization’s interface with nature

We identified priority areas with a significant risk of diminishing biodiversity or ecosystem service quality and the regional characteristics of these targets including Sojitz Tuna Farm Takashima’s in-house aquaculture, upstream feeding, and fry procurement, as well as TRY Inc. and Marine Foods’ domestic processing practices.



### Evaluate: Assess dependencies and impacts on nature

We identified risk factors and points for analysis in priority regions identified through the Locate step. Nature-related conditions and regulations were investigated at Sojitz Tuna Farm Takashima, and meetings with each company were held to gain a better understanding based on identified risk factors and analysis.

### Assess: Determine nature-related risks and opportunities

We identified risks and opportunities based on the findings of earlier LEAP steps in accordance with TNFD’s sector-specific guidelines. The high-priority risks and opportunities for Sojitz Group’s initiatives are compiled below.

|               | Major Projected Risks and Opportunities  | Sojitz Group Initiatives  |
|---------------|--|---|
| Risks         | <ul style="list-style-type: none"> <li>Decline in product quality or increased death rates at farms due to rising ocean temperatures or red tides</li> <li>Ecosystem degradation or economic impacts due to fish escaping from aquaculture cages</li> <li>Changes in optimal farming locations due to water pollution from uneaten feed</li> </ul> | <ul style="list-style-type: none"> <li>Utilization of Integrated Biodiversity Assessment Tool (IBAT)* to survey surrounding areas</li> <li>Collection and analysis of water temperature, sodium content, and other data</li> <li>Development of red tide forecasting app</li> <li>Use of AI technologies for counting tuna</li> <li>Regular inspections of aquaculture cages</li> </ul> |
| Opportunities | <ul style="list-style-type: none"> <li>Investment in technologies for reducing impacts on ecosystems</li> </ul>  | <ul style="list-style-type: none"> <li>Optimization of feed amounts and shipment timings</li> </ul>   |

\* Integrated Biodiversity Assessment Tool (IBAT):

A tool that provides geospatial data and access to databases including the International Union for Conservation of Nature Red List of Threatened Species, World Database on Protected Areas (WDPA), and World Database of Key Biodiversity Areas (WDKBA).

### Conducting Scenario Analysis

Based on the risks and opportunities identified, we conducted an analysis using the scenarios illustrated by the TNFD, with the aim of enhancing the resilience of the Sojitz Group under uncertain future environmental conditions.

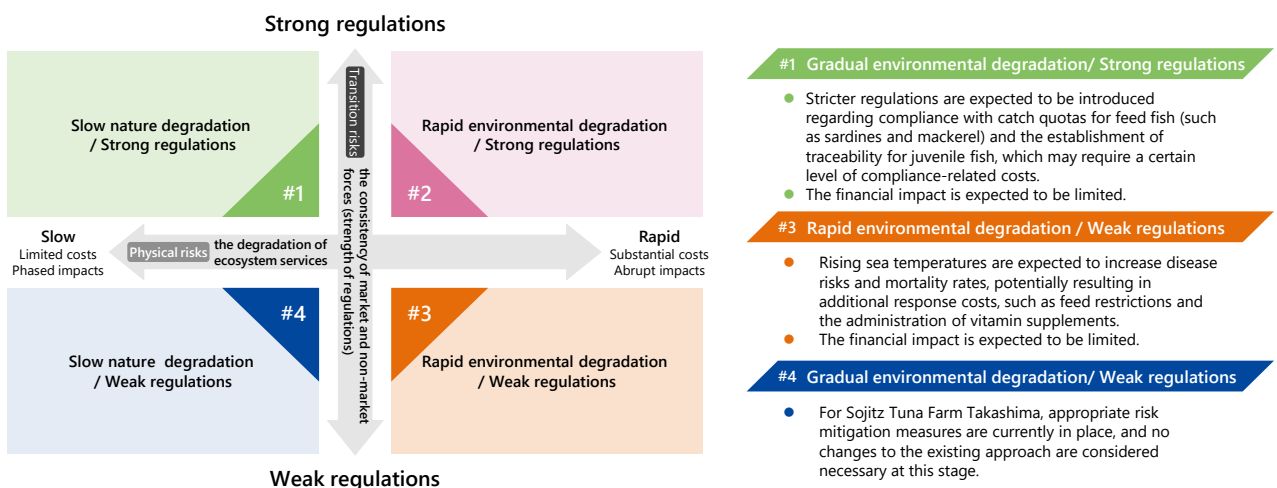
The scenarios were defined along two axes:

- (1) the degradation of ecosystem services (functions provided by nature), and
- (2) the consistency of market and non-market forces (strength of regulations).

The time horizon assumed was around 2030, in line with the global targets set under the Kunming–Montreal Global Biodiversity Framework (GBF).

We assessed the current situation of Sojitz Tuna Farm Takashima as being closest to TNFD’s Scenario #4 (“Slow nature degradation / Weak regulation”), and used this as a baseline to develop and analyze two additional scenarios:

- Scenario #1: Regulation becomes more stringent
- Scenario #3: Rapid progression of nature degradation



**#1 Gradual environmental degradation/ Strong regulations**

- Stricter regulations are expected to be introduced regarding compliance with catch quotas for feed fish (such as sardines and mackerel) and the establishment of traceability for juvenile fish, which may require a certain level of compliance-related costs.
- The financial impact is expected to be limited.

**#3 Rapid environmental degradation / Weak regulations**

- Rising sea temperatures are expected to increase disease risks and mortality rates, potentially resulting in additional response costs, such as feed restrictions and the administration of vitamin supplements.
- The financial impact is expected to be limited.

**#4 Gradual environmental degradation/ Weak regulations**

- For Sojitz Tuna Farm Takashima, appropriate risk mitigation measures are currently in place, and no changes to the existing approach are considered necessary at this stage.

\* "Financial impact" refers to additional response-related costs incurred. Scope: Sojitz Tuna Farm Takashima, as assessed from the perspective of the Sojitz Group as a whole.

**Assessment of the Materiality of Risks and Opportunities**

The materiality of risks and opportunities was qualitatively assessed using two axes—magnitude of financial impact and likelihood of occurrence—each evaluated on a three-level scale (high / medium / low).

**Evaluation Criteria**

- **Financial impact:** The scale of potential monetary loss arising from factors such as natural capital degradation or strengthened regulations, including decreases in revenue and increases in procurement or compliance costs.
- **Likelihood of occurrence:** The expected probability of occurrence based on regulatory trends, market changes, and the condition of natural resources.

As a result, under Scenario #1—where regulations become more stringent—both risks and opportunities associated with regulatory requirements were assessed as “medium”. Based on this evaluation, we have initiated the consideration of response measures and will proceed with their implementation in due course.

< Risks >

| Category         | Business Process           |                   | Details  | Response Status  | Impact (Scenario ①) | Impact (Scenario ③) |
|------------------|----------------------------|-------------------|--|--|---------------------|---------------------|
| Physical Risks   | Acute                      | Direct Operations | Water quality degradation; increased seawater temperature causing stress on farmed tuna, affecting health and growth | ① Adjusting feeding and implementing water temperature management; administering antibiotics as needed for disease prevention<br>② Monitoring high-temperature risks associated with multi-farm operations and integrating preventive measures | Small               | Small               |
|                  | Acute                      | Procurement       | Increased seawater temperatures causing unstable supply volumes; difficulty securing raw materials                   | Exploring multiple supplier options and diversification of procurement sources   | Small               | Small               |
| Transition Risks | Regulatory / Certification | Procurement       | Potential decline in availability of certified juvenile fish due to resource depletion                               | Complying with fishing quotas established by authorities   | Medium              | Small               |
|                  |                            | Processing        | Environmental burdens associated with wastewater and waste management  | Compliance with wastewater discharge standards and waste treatment regulations   | Medium              | Small               |

< Opportunities >

| Category                       | Business Process           |                   | Details   | Response Status   | Impact (Scenario ①) | Impact (Scenario ③) |
|--------------------------------|----------------------------|-------------------|---|---|---------------------|---------------------|
| Corporate-related Performances | External Collaboration     | Direct Operations | Initiatives for co-creation of value with the natural environment       | Collaboration with Kyushu University; development and introduction of the “Akashio (Red Tide) Countermeasure App”; joint branding research with Tokyo University of Marine Science and Technology | Small               | Small               |
| Sustainability                 | Regulatory / Certification | Procurement       | Securing sustainably certified juvenile fish from responsible suppliers | Preventing IUU fishing through the application of procurement policies  | Medium              | Small               |
|                                |                            | Processing        | Expansion of sales opportunities for traceable products                 | Obtaining MSC-CoC certification through Marin Foods   | Medium              | Small               |
|                                | External Collaboration     | Direct Operations | Initiatives for collaboration with the natural environment              | Collaboration with the Recycling Association to manage plastic waste  | Small               | Small               |

**Prepare: Develop responses to these risks and opportunities and prepare for reporting**

Sojitz Tuna Farm Takashima is actively introducing ICT technologies into its operations and working with the Japan Agency for Marine Earth Science and Technology (JAMSTEC) through an industry-academia partnership for the establishment of a smart farming system. In addition, Sojitz Tuna Farm Takashima has begun work on the development and verification of a red tide forecasting app in collaboration with Kyushu University. Sojitz provides this technology not only to Sojitz Tuna Farm Takashima, but also to other aquaculture businesses in order to offer farming solutions and protect sustainable marine resources.

## Read more

> [Initiatives at Sojitz Tuna Farm Takashima \(Japanese only\)](#)

Insights gained through LEAP analysis will be applied in the operation of individual businesses. Moving forward, the scope of analysis will be expanded to include upstream feed and fry procurement as well as downstream processing at TRY and Marine Foods. Sojitz will continue to monitor and identify natural capital-related dependencies and impacts for biodiversity and water risks across its business portfolio.

## Environmental Protection and Social Contribution Initiatives in Mine Development and Operating Businesses

In the development and operation of upstream resources such as mines, Sojitz Group utilizes proper environmental and social impact assessments to accurately evaluate potential damage to natural capital and impacts to ecosystems. We formulate business plans with mine management and monitoring plans, including plans for mine closures. Sojitz is committed to ensuring its business activities are in compliance with national and local laws and regulations and that the company obtains all necessary permits and licenses to give due consideration to environmental protection.

In the mine development stage, we seek to minimize impacts to biodiversity in designated regions by taking steps to reduce our environmental impact during the process. After transitioning to the operational stage, we conduct river relocation work to maintain waterflow to the mining area, conduct regular environmental impact monitoring, and implement preventative measures to mitigate risks in the event of an emergency. We carry out the necessary rehabilitation activities and other maintenance measures for all mines, both while in operation and during the mine closure process, to prevent the occurrence or expansion of damage-related risks to natural capital, reduce environmental impact, and promote environmental conservation.

At Sojitz's open-cut coal mines in Australia such as Gregory Crinum and Meteor Downs South, we keep the topsoil that is removed for mining and use it after mining is completed to cover up the mined area. We then work to restore the land to its original condition by planting new native vegetation as part of the reclamation process. In addition, Sojitz secures habitats both on-site and in part of the surrounding area for rare flora and fauna such as squatter pigeons that could potentially be affected by mining activities. Sojitz conducts all conservation activities in accordance with related laws and regulations and in line with approved conservation plans.

## Wood Procurement Policy Initiatives

Sojitz Group conducts business with approximately 1,500 wood-related suppliers. We select and conduct targeted wood surveys for over 80% of our total purchased wood supply using criteria that includes the supplier's country risk level, the amount of wood purchased in terms of monetary value, and suppliers' compliance with Sojitz Group policies. Surveys are conducted to access wood traceability and environmental and social considerations, and we also spread awareness of the Group's policies among our business partners.

## Read more

> [Sojitz's Wood Procurement Policy Initiatives](#)

Sojitz and applicable Sojitz Group companies have acquired certification from the Forest Stewardship Council (FSC), an NGO that certifies sustainable forest management, and we are committed to sustainable forest resource procurement practices.

## Read more

> [View Sojitz's license code](#)

> [View Sojitz Building Materials Corporation's initiatives](#)

## Indicators and Targets

We are committed to minimizing environmental impacts associated with our business activities in accordance with the Sojitz Group Environmental Policy established in 2004. Through initiatives to reduce CO<sub>2</sub> and other greenhouse gas emissions, based on the results of the LEAP analysis, we will continue to review the fisheries value chain and strengthen our ongoing risk management and monitoring framework in line with changes in external conditions and our business environment. We will also consider conducting LEAP analyses on a regular basis.

# Environment

- [Climate Change](#)
- [Environmental Management](#)
- [Resource Sustainability](#)
- [Pollution Prevention](#)
- [Water Resources](#)
- [Biodiversity](#)
- [Environmental Data](#)



# Climate change



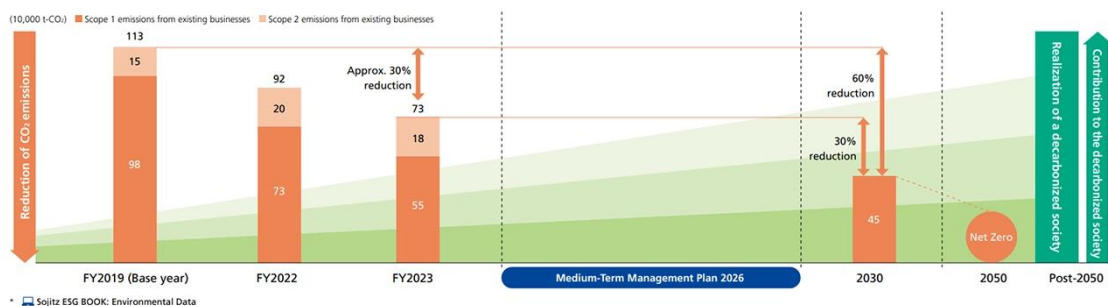
## 1. Policy and Basic Approach

As Sojitz seeks to create value and prosperity as described in our Corporate Statement, we aim to maximize our two types of value – “value for Sojitz” and “value for society.”

Through our previous business activities, we have sought to transform the solution to social issues into our strength as a company as we have expanded and grown our businesses. We have been involved in a number of resource businesses in Japan and overseas to help solve society's need for energy and security, and these efforts have been reflected in our earnings.

While climate change is attracting more attention and the world's shift towards carbon neutrality continues to accelerate, simple energy generation and consumption is no longer sufficient; more eco-friendly power generation and consumption methods are needed.

To this end, we have set forth our contribution to the realization of a decarbonized society in the Sustainability Challenge, our long-term sustainability vision for the year 2050. In addition to accelerating the reduction of CO<sub>2</sub> emissions from Sojitz Group's existing businesses to increase our resilience in a decarbonized society, we will also utilize this transition as an opportunity to build a wide range of new businesses in a variety of fields, not only in the energy sector, as we move forward. In this way, we will expand our profit-earning opportunities as “value for Sojitz ” as we seek to create “value for society ” in the form of achieving a decarbonized society.



Sustainability Challenge



## 2. Goals and Targets

We have set policies and targets for both existing and new businesses based on forecasted technological trends and a careful examination of risks and opportunities.

For existing businesses, emission reduction targets will be set based on separate international protocols for CO<sub>2</sub> emissions (Scope categories). For new businesses, Sojitz views the transition towards a decarbonized society as an opportunity for growth, and the company will actively promote diverse new businesses.

## 2-1. Existing Businesses

### 2-1-1. Aim of Scope1 and Scope2

Scope1 encompasses all of the CO<sub>2</sub> generated directly by the company from burning resources such as gas, etc. Scope2 mainly refers to the CO<sub>2</sub> generated by the company's consumption of electricity. Sojitz Group recognizes its responsibility to reduce Scope1 and Scope2 emissions as it develops a wide range of businesses. For all existing businesses acquired prior to April 2020, Sojitz aims to reduce overall emissions by 60% before 2030, which includes reaching net zero emissions for Scope2. For Sojitz businesses acquired from April 2020 onwards, we aim to achieve net zero emissions by 2050.

|                             |  |
|-----------------------------|--|
| Scope1+2                    | Reduce emissions 60% by 2030; achieve net-zero emissions by 2050 *1<br>For Scope2: Net-zero emissions by 2030 *2 |
| Coal-fired power generation | No current projects nor future projects planned  |

\*1, \*2 Reductions from base year of FY2019, scope includes Sojitz Corporation (non-consolidated), consolidated subsidiaries, and unincorporated joint ventures subject to reporting based on Sojitz approach toward control of management

### 2-1-2. Scope3 Targets (Natural Resource Interests)

Scope3 refers mainly to the indirect CO<sub>2</sub> emissions generated in the supply chain. Trading companies have extensive supply chains from upstream to downstream. If all of Sojitz's current natural resource interests were burned, it would generate approximately 200 million tons of CO<sub>2</sub>. This amount greatly exceeds the 1 million tons of CO<sub>2</sub> emissions generated from Sojitz Group's direct energy use (Scope1 and 2). Sojitz therefore views addressing these Scope3 emissions as a major social responsibility.

For this reason, Sojitz has established the following strategic targets for natural resource interests. In its coking coal-related business, Sojitz will actively engage in new business opportunities associated with technological innovations, such as CO<sub>2</sub> capture and new iron-making methods.

#### Targets (Natural Resource Interests)

|                        |  |
|------------------------|--|
| Thermal coal interests | Reduce interests to half or less by 2025 zero interests by 2030 *3 |
| Oil interests          | Zero interests by 2030   |
| Coking coal interests  | Zero interests by 2050   |

\*3 FY2018 serves as the base year, and targets are based on the book value of assets in coal interests. In May 2019, Sojitz announced its original goal of reducing thermal coal interests to half or less by 2030.

## 2-2. New Businesses

For all new businesses, Sojitz aims to realize net-zero carbon emissions by 2050.

## 2-3. Progress

|  | Targets  | Progress  |
|--|--|---|
| Existing businesses                    | <b>Scope 1/2</b><br>Reduce emissions by 60% by 2030; achieve net zero emissions by 2050<br>(Net zero emissions by 2030 for Scope 2 *1)<br>Note: Coal-fired power generation: No current project nor future projects planned                              | Achieved about 30% reduction under the Medium-Term Management Plan 2023. To accelerate decarbonization initiatives of operating companies (renewable energy, energy conservation, battery, EV/PHV, etc.) under the Medium-Term Management Plan 2026, we will execute measures to promote decarbonization. |
|  | <b>Scope 3</b><br>Natural Resource Interest Reduction Targets<br>Thermal coal interests: Reduce interests to half or less by 2025<br>Zero interests by 2030 *2<br>Oil interests: Zero interests by 2030<br>Coking coal interests: Zero interests by 2050 | Achieved 70% reduction in thermal coal interests and addressing initiatives to achieve other targets. Scope 3 measurements which started from power generation sector will complete the measurement and confirmation for all sectors within 2024.   |
| New businesses                         | Formulate business-specific decarbonization policies and net zero emissions by 2050  |   |
| Contribution to a decarbonized society | Promote expansion of relevant businesses and initiatives as an opportunity<br>Measure contributions to reductions in society's CO2 emissions (Scope 4) and implement related business activities   | Scope 4 measurements for renewable energy and energy conservation businesses.   |

\*1 FY2019 serves as the base year with non-consolidated and consolidated subsidiaries included in the scope. Initiatives include carbon offset by certificates, etc.

\*2 FY2018 serves as the base year and targets are based on the book value of interest assets.

### Decarbonization Policy and Progress Status

As of March 2025, progress in Scope1 and Scope2 has achieved approximately a 40% reduction, while thermal coal interests have already achieved approximately a 90% reduction.

## 2-4. Decarbonization Roadmap

As we move toward the realization of a decarbonized society, these targets are based on a roadmap of technological and societal trends forecasted in each decade leading up to the realization of a decarbonized society, and we formulate our actions and approach in line with these trends.

As a result, the aforementioned goals are based on the current future forecast and will be subject to flexible review in accordance with social trends and technological innovations.

| Outlook for technological progress and social trends                                     |      |      |      |      | Sojitz assumption   |   |
|--|------|------|------|------|---|---|
| 2020   | 2025 | 2030 | 2040 | 2050 | Opportunities   | Specific business examples  |
| Expand business that utilizes energy/materials that support transition periods           |      |      |      |      | Increased demand for LNG/natural gas and carbon neutral fuel used in the transition toward a low carbon or decarbonized society | <ul style="list-style-type: none"> <li>High efficiency gas thermal combined cycle power generation</li> <li>Liquefied natural gas (LNG) related business (LNG Japan)</li> <li>Overseas natural gas downstream distribution/retail business</li> <li>High-grade overseas iron mining business for electronic furnaces</li> </ul> |
| Transition to renewable energy   |      |      |      |      | As the market continues to expand, increase investment in transitioning to decarbonization businesses                           | <ul style="list-style-type: none"> <li>Solar/wind power generation in and outside Japan</li> <li>Biomass power generation</li> <li>Overseas electricity retail business</li> <li>Solar power installed on roofing for industrial use</li> </ul>   |
| Increased need for energy conservation services  |      |      |      |      | Increased demand in developed nations and others for energy conservation businesses corresponding with shortage of energy       | <ul style="list-style-type: none"> <li>US energy conservation services/ESCO business</li> <li>Australia energy conservation services/ESCO business</li> </ul>   |
| Increase in circular businesses  |      |      |      |      | Promotion and expansion of resource recovery business from urban mines  | <ul style="list-style-type: none"> <li>Appliance/electronic reuse and recycle business in and outside Japan</li> </ul>  |
| Increased demand for biomass fuel and synthetic fuels                                    |      |      |      |      | Growth in demand and investment opportunities related to decarbonized fuel and supply chain development                         | <ul style="list-style-type: none"> <li>Investment in next-generation renewable fuel production companies</li> <li>Acquisition of overseas RNG production business companies</li> </ul>  |
| Development and utilization of clean hydrogen/ammonia                                    |      |      |      |      | Growth in demand and investment opportunities related to decarbonized fuel and supply chain development                         | <ul style="list-style-type: none"> <li>Investment in turquoise hydrogen production technology development companies</li> <li>Joint development of green ammonia production project</li> </ul>   |
| Utilization of carbon offset solutions (Increase of carbon credit, CCS, CCUS, DAC, etc.) |      |      |      |      | Increased demand and investment opportunities for decarbonization of fossil fuel businesses                                     | <ul style="list-style-type: none"> <li>Carbon credit</li> <li>CCS, CCUS</li> <li>Small-scale, dispersed DAC mechanism development</li> <li>Overseas forest carbon credit generation fund</li> </ul>   |

In formulating and updating this decarbonization roadmap, we invite outside experts to stakeholder dialogues every year to stay up to date on the latest trends.

In addition, we hold internal discussions with the COOs of each business division, and make policy decisions based on discussions held by the Board of Directors, the Management Committee, and the Sustainability Committee.

### 3. GX (Green Transformation)

In our Medium-Term Management Plan 2026, the Company positions investment in and the creation of businesses in the clean technology field as one of its key priority areas, in order to achieve a decarbonized society as set out in our long-term vision toward 2050, the "Sustainability Challenge."

Under this plan, we intend to make new investments on the scale of JPY 30–50 billion. While carefully assessing technological innovation and the stage of social implementation in the GX field, we will promote business expansion by creating and providing solutions tailored to each stage. Through these initiatives, we aim to contribute to the realization of a carbon-neutral society while achieving sustainable growth for the Group.

### 4. Systems

Sojitz's implementation of sustainability initiatives



### 5. Initiatives

#### 5-1. Endorsement of TCFD



Sojitz Group is actively working to disclose information and improve transparency by utilizing the TCFD\*1 framework regarding risks and opportunities related to climate change.

\*1 In August 2018, Sojitz declared its endorsement of the final recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

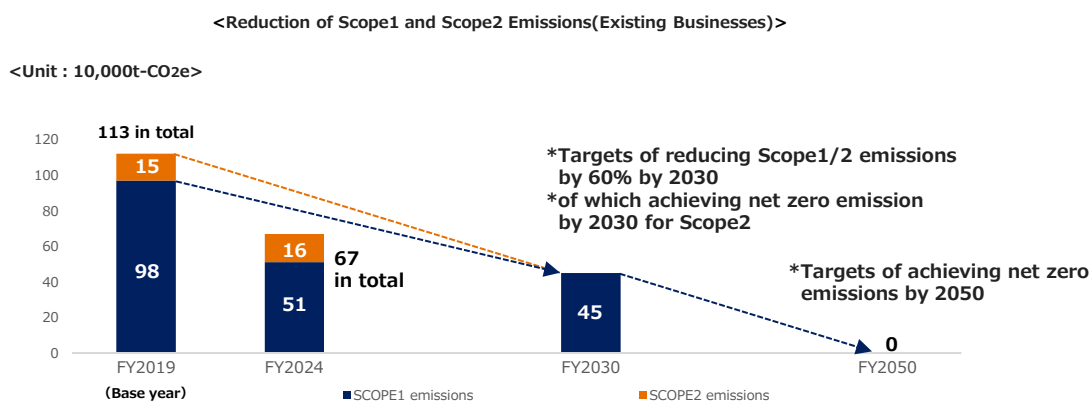
> [TCFD-Recommended Framework for Climate-Related Financial Disclosures and Scenario Analysis](#)

## 5-2. Minimizing Risk

### 5-2-1. Reduction Measures for Scope1 and 2 Emissions

#### Existing Businesses

- Sojitz's initial aim is to reduce Scope2 emissions by prioritizing transition to renewable energy.
- For Scope1, Sojitz will prioritize an energy transition for low-efficiency coal and petroleum facilities due for renewal.
- For assets using fossil fuels, Sojitz will take a long-term view of potential impacts and consider transition to green alternatives such as hydrogen, ammonia, and e-fuels.
- In addition, Sojitz will consider exit from such businesses that are at risk of becoming obsolete, taking into consideration decarbonization targets and other factors.
- Sojitz will consider the use of carbon offset certificates for its remaining greenhouse gas emissions but will aim to keep the proportion of offsets to an absolute minimum.



#### New Businesses

- As with our existing businesses, we aim to achieve net zero emissions by 2050.

To promote decarbonization initiatives at operating companies, we have introduced decarbonization promotion measures as a supporting mechanism.

In addition, we plan to formulate new decarbonization targets as we continue our efforts toward achieving net zero by 2050.

### 5-2-2. Measuring and Tracking Scope3 Emissions

Scope3 mainly refers to indirect CO<sub>2</sub> emissions in supply chains. However, as trading companies are involved in extensive supply chains from upstream to downstream, it is difficult to clearly ascertain these emissions.

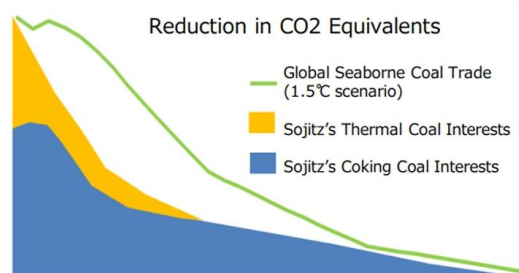
We will therefore identify business areas that have a significant impact on our growth and business performance, as well as on society. We will therefore measure and track their Scope3 emissions for these areas. Next we will then consider individual policies to implement in each business area.

As a first step, we have addressed the coal interests held by Sojitz Group. If all of the coal interests (thermal coal and coking coal) currently held by Sojitz Group were burned, it would generate approximately 200 million tons of CO<sub>2</sub>. Because this potential amount is so large, we have established a policy of reducing our interests in coal used for power generation (thermal coal)—which can already be replaced by renewable energy—to zero by 2030, and to reduce our interests in coking coal (which is used as a reductant in steel production) to zero by 2050, assuming that alternative reductants such as hydrogen and ammonia will become widely used in the 2040s and beyond.

|           |  |
|-----------|--|
| Approach  | <ul style="list-style-type: none"> <li>◆ Scope3 refers to <b>annual CO<sub>2</sub> emissions</b> in the supply chain.</li> <li>◆ In addition to existing initiatives across Sojitz Group, it is necessary to include measures to reduce CO<sub>2</sub> emissions throughout supply chains.</li> <li>◆ Sojitz acknowledges that segments of our supply chain with high Scope3 emissions can be considered high risk due to future emissions reduction pressure.</li> </ul>  |
| Policy(*) | <ul style="list-style-type: none"> <li>◆ Reduce thermal coal interests to half or less by 2025, and to zero by 2030.</li> <li>◆ Reduce coking coal interests to zero by 2050.</li> </ul>   |
| Action    | <ul style="list-style-type: none"> <li>◆ Sojitz Group will identify sectors with high CO<sub>2</sub> emissions and use qualitative analysis to assess Sojitz's supply chains.</li> <li>◆ We will prioritize improvement measures for the power sector for thermal coal and gas businesses, which have a significant impact on earnings and high CO<sub>2</sub> emissions.</li> <li>◆ Sojitz Group will quantify Scope3 for thermal coal and gas in the power sector.</li> <li>◆ We will set emissions reduction policies for natural resource interests (stocks) which affect the company and have a global impact.</li> </ul> |

### (\*)Approach to reducing interests

Setting FY2018 as the base year, Sojitz plans to reduce its total interests in thermal and coking coal at a rate that exceeds the reduction rate in seaborne trade of coal as described in the 1.5°C scenario.



## 5-3. Seizing Business Opportunities

### 5-3-1. Opportunities under Scope4

Sojitz Group sees Scope3 emissions not only as a risk, but also as an opportunity to create new business that contribute to a reduction of CO<sub>2</sub> emissions throughout supply chains as part of initiatives which tie into company growth. In the future, Sojitz will increase Scope4 initiatives which contribute to avoided CO<sub>2</sub> emissions.

To achieve these aims, Sojitz established the Energy Transformation Department as part of Medium-term Management Plan 2026. The Energy Transformation Department is an organization that operates cross-organizationally to accelerate the creation and advancement of businesses and projects in the fields of new energy and decarbonization.

Additionally, we have consolidated our resources in the business fields of 1) the environment (including renewable power generation in Japan and overseas), 2) other forms of power generation, and 3) healthcare, and reorganized these assets under the Energy Solutions & Healthcare Division. We aim to continue to expand business in these fields going forward.

### 5-3-2. Recent Releases:

#### Carbon Neutral

- > [Sojitz Begins Construction on one of the Largest-scale Solar Farms by Japanese companies in Australia](#)
- > [Sojitz to Provide Green Hydrogen Produced in Australia to Pacific Island Countries](#)
- > [Sojitz Begins Commercial Operations of One of Japanese Largest Biomass Power Plants in Tomakomai, Hokkaido](#)
- > [Sojitz Enters Energy Conservation Business in Australia](#)
- > [Sojitz, Nissho Electronics, and OMRON Launch Cloud-based Battery Charging Control Service, EV AutoCharge, for Commercial EVs/PHEVs at Sekisui House, a Decarbonization Leader in the Housing Industry](#)

- > [Sojitz and EMI Establish Joint Venture Company in Indonesia to Begin Rooftop Solar Generation Business](#)
- > [Kyushu University to Make First Business Investment in Carbon Xtract Corporation, a Company with Revolutionary DAC Technology that Uses Nano-Separation Membranes](#)

### Gas-Related Business (Transition)

- > [Sojitz Enters Natural Gas-fired Power and Desalination Project in the United Arab Emirates](#)
- > [Sojitz Participates in Syrdarya II IPP Project in Uzbekistan](#)
- > [Helios Investment Partners and Sojitz Corporation start collaborations in West African gas downstream businesses](#)
- > [Sojitz Joins Scarborough Gas Project in Western Australia via LNG Japan Corporation, also signs a Memorandum of Understanding with Woodside regarding a relationship for future initiatives in the decarbonization and the clean energy fields](#)

### Circular Business (Recycle)

- > [Sojitz to Begin "Pool Project Kawasaki," a Verification Test Project for Efficient Collection and Recycling of Plastic Container Waste from Condominiums in Kawasaki City](#)
- > [Sojitz Pla-Net and ANA Group launch recycling operation to reduce the disposal of plastic waste](#)
- > [Sojitz Pla-Net Establishes Plastic Recycling Process that Prevents Contamination Expanding a Closed Recycling Initiative that Reproduces Products Identical to the Original Plastic Product](#)
- > [Consortium Formed to Realize Horizontal Recycling for Plastic Bottle Caps through "Cap to Cap" Initiative](#)
- > [JX Metals and Sojitz Collaborate with Canada's Largest Recycler of Household Appliances and Electronic Devices](#)

## 5-4. Analysis of Scope3 and Scope4 Emissions across the Supply Chain

Sojitz performs qualitative analysis of the risks and opportunities it faces based on a matrix that uses industries with generally high CO<sub>2</sub> emissions on the vertical axis and the stages of each supply chain on the horizontal axis. In addition, quantitative assessments are performed with regard to the power generation sector, which has been judged to entail particularly high emissions.



## 5-5. Collaborating with Stakeholders

Sojitz participates in METI's GX League, a forum for cooperation between companies, government, and academic bodies to achieve METI's strategy for carbon neutrality by 2050. Sojitz is also a member of a GX Business Working Group under the same organization.

## 6. Performance

Environmental Data



# Environmental Management

## 1. Policy and Basic Approach




Sojitz recognizes that sustainability is one of our top management priorities, and we are actively undertaking initiatives aimed at conserving the environment in all aspects of our business activities.










To this end, we have introduced an environmental management system (EMS) based on ISO 14001 and headed by Sojitz's president. The aims of Sojitz's EMS are as follows:



1. Ensure implementation of our environmental policies
2. Elevate employee awareness
3. Actively implement risk management, such as through compliance with laws and regulations
4. Carry out smooth communication with stakeholders

In our EMS, management first sets a company-wide policy, and each department sets targets in line with the policy and its associated risks and opportunities after examining the external trends, internal issues, and risks and opportunities for the company that contributed to the determination of the policy. Management then monitors these targets, and each department implements a PDCA cycle for continuous improvement after undergoing internal environmental audits and audits by external organizations.

### 1-1. Risks and Opportunities for the Materiality (Key Sustainability Issues) Set by Sojitz

| Materiality(Key Sustainability Issues) | Sustainability Challenge | Departmental Goal Type                     | SDGs  | Risks and Opportunities for Sojitz   |  |
|--|--------------------------|--|---|--|--|
|  |                          |  |   | Risks  | Opportunities  |
| Human Rights                           | Human Rights             | Initiatives to protect human rights        |  | Incidents of human rights violations in our company and in our supply chains impact our reputation and business transactions | Strengthening the sustainability of the business region through consideration for human rights, including in supply chains |
| Environment                            | Decarbonization          | Company-wide decarbonization measures      |  | Introduction and strengthening of environmental regulations, carbon taxes, and emissions trading                             | Strengthening resilience to environmental regulations by reducing CO <sub>2</sub> emissions                                |
|  |                          | Businesses contributing to decarbonization |  | "Shrinking market (for carbon-dependent products and services) E.g., Coal-fired power generation market, etc."               | "Market expansion (of low-carbon and decarbonized products and services) E.g., Renewable energy market"                    |

| Materiality(Key Sustainability Issues) | Sustainability Challenge | Departmental Goal Type  | SDGs  | Risks and Opportunities for Sojitz   |   |
|--|--------------------------|---|---|--|---|
|  |                          |   |   | Risks  | Opportunities   |
| Environment                            | Decarbonization          | Rethinking businesses to promote decarbonization  |    | Stranded assets (carbon-dependent factories)   | Construction and business participation (low-carbon and carbon-free factories)                                      |
|  |                          | Measures to address climate change risks  |    | Occurrence of water risks such as floods, droughts, etc., frequent wildfires, changes in crop growing regions  | Strengthening business resilience through risk response   |
|  | ----                     | Environmental measures other than decarbonization (climate change)                                    |    | "Environmental pollution in our companies and in our supply chains affects our reputation and business dealings<br>Violations of environmental laws and regulations" | Strengthening the sustainability of the business region through prevention of pollution, including in supply chains |
| Resources                              | ---                      | Creation of business opportunities that contribute to resource recycling and efficient resource usage |    | Shrinking market for disposable products and services  | Expanding market for recyclable products and services   |
|  |                          | In-house initiatives for resource recycling, compliance with laws and regulations                     |  | Increasing disposal costs<br>Deviation from rules related to resource recycling"   | Increased business resilience resulting from the promotion of '3Rs+Renewables' and resource recycling               |
|  |                          | Securing food resources   |  | Insufficiency of food resources due to future population and economic growth around the world  | Expanding demand for food and of food markets   |
|  |                          | Securing water resources  |  | Impact of water shortages on operations at project sites   | Increased demand for securing water resources   |
|  |                          | Securing fishery resources  |  | Fishery resource depletion due to overfishing, reputational risks, and business continuity concerns  | Increased demand for recycling-based fisheries and aquaculture  |
|  |                          | Securing forest resources   |  | Reputational risk due to depletion and denunciation of forest resources  | "Certified wood Recycling-oriented businesses"  |

| Materiality(Key Sustainability Issues) | Sustainability Challenge | Departmental Goal Type                                  | SDGs  | Risks and Opportunities for Sojitz   |  |
|--|--------------------------|---|---|--|--|
|  |                          |   |   | Risks  | Opportunities  |
| Local Communities                      | ---                      | Contribution to social themes in emerging countries     |  | Decreased business opportunities due to developmental constraints in emerging countries  | "Infrastructure-related business opportunities<br>Business opportunities to introduce advanced technology and culture" |
|  | ---                      | Contribution to social themes in developed countries    |  | "Low birthrate, aging population, depopulation of rural areas, decline of primary industries<br>Damage to the business environment and reduced business opportunities due to the inability to resolve issues in developed countries" | Global expansion of business opportunities through solving issues in developed countries                               |
|  | ---                      | Responding to disasters occurring on a global scale     | ---   | Supply chain disruptions, rising resource prices, changes in regulations and policies in countries around the world  | Medical-related business opportunities   |
| Governance                             | ---                      | Contribution to the transparency of company disclosures | ---   | Damage to reputation caused by negative external evaluations of the company  | Increased efficiency in securing funding as a result of improved external evaluations                                  |

## 1-2. Reflection of Environmental Targets in Performance Evaluations


Sojitz evaluates its efforts in these areas from both qualitative and quantitative perspectives, and reflects them in the performance evaluation of each business division.

## 1-3. Various Policies in Sojitz’s Environmental Management Systems (EMS)

The various policies that we emphasize in our EMS are as follows.

### 1-3-1. Key Sustainability Issues (Environment, Resources, Local Communities, Human Rights)

In our environmental management systems (EMS), we set targets related not only to the environment, but also for our Key Sustainability Issues such as resources, local communities, and human rights. Sojitz also monitors and provides direction for achieving these targets.

| Themes  | Contents  |
|---|---|
|  <p><b>Environment</b><br/>Contribute to the global environment through our businesses</p> | <p>Sojitz strives to preserve the environment and create businesses that are both highly competitive and environmentally friendly by pursuing environmental sustainability in its businesses.</p> <p>We work to minimize our environmental burden with initiatives that include preventing climate change, reducing CO<sub>2</sub> emissions and preserving biodiversity.</p> |

| Themes   | Contents   |
|--|--|
|  <p><b>Resources</b><br/>Develop, supply and use sustainable resources*</p>                   | <p>Sojitz pursues the development, supply, and use of sustainable resources. We strive to conserve resources, propose suitable energy mixes and provide a stable supply of resources.<br/>* Includes energy, mineral, food, water, forest, marine and other resources</p>  |
|  <p><b>Communities</b><br/>Develop and grow together with local communities</p>               | <p>Sojitz promotes businesses that grow together with local communities. We work to reduce environmental and social burden on local communities through our businesses. Through ongoing communication with local communities, we strive to achieve business sustainability, address local problems and support children’s education.</p> |
|  <p><b>Human Rights</b><br/>Respect the human rights of people involved in our businesses</p> | <p>Sojitz respects the human rights of people involved in its businesses. This applies not only to Sojitz employees, but also to everyone affected by its businesses throughout its supply chains. Should there be any instances of child labor or forced labor, we will rectify them.</p>   |

### 1-3-2. Sojitz Group Environmental Policy

As a global company, Sojitz Group considers environmental issues a crucial topic to be addressed in management. Striving for a sustainable society, we will work to preserve the environment and prevent pollution in our business activities, while creating businesses that are both highly competitive and environmentally friendly.

1. Comply with environmental laws and regulations  
In the course of our business operations, we will comply with laws and regulations concerning the environment, international treaties, and agreements to which we subscribe.
2. Minimize environmental burden  
We will work to minimize the environmental impact of our businesses through initiatives that protect biodiversity, conserve water resources, and contribute to a decarbonized society through the reduction of greenhouse gas emissions and other efforts to address climate change.
3. Conserve resources and reduce/recycle waste  
We will engage in curbing the use of natural resources such as energy and water, and the reducing and recycling of waste.
4. Consider the environment in new businesses  
When starting new businesses and expanding or further developing existing businesses, we will work to reduce the burden on the environment and prevent pollution.
5. Pursue sustainable resources  
We will promote initiatives for the stable supply of resources and realization of a suitable energy mix.
6. Disclose information and engage with stakeholders  
In order to ensure the transparency of our operations, we will publicly disclose information regarding our environmental policies and initiatives while also engaging in proactive communication with our diverse range of stakeholders.
7. Continuously improve our environmental management system  
Under our environmental management system, we will establish and periodically review environmental objectives and aim for constant improvement, in order to enhance our environmental performance.
8. Educate and promote awareness on the environment  
In addition to ensuring that all of our officers and employees are notified of this policy, we will implement educational activities to ensure widespread awareness.

## 2. Goals and Targets

### 2-1. Sojitz Group CO<sub>2</sub> Reduction Targets

#### 2-1-1. Scope1 and Scope2 Targets

|                             |  |
|-----------------------------|--|
| Scope1+2                    | Reduce emissions 60% by 2030; achieve net-zero emissions by 2050 *1<br>For Scope2: Net-zero emissions by 2030 *2 |
| Coal-fired power generation | No current projects nor future projects planned  |

\*1 \*2 Reductions from base year of FY2019, scope includes Sojitz Corporation (non-consolidated), consolidated subsidiaries, and unincorporated joint ventures subject to reporting based on Sojitz approach toward control of management

#### 2-1-2. Scope3 Targets

|                        |  |
|------------------------|--|
| Thermal coal interests | Reduce interests to half or less by 2025 zero interests by 2030 *3 |
| Oil interests          | Zero interests by 2030   |
| Coking coal interests  | Zero interests by 2050   |

\*3 FY2018 serves as the base year, and targets are based on the book value of assets in coal interests. In May 2019, Sojitz announced its original goal of reducing thermal coal interests to half or less by 2030.

## 2-2. Sojitz Group's Major Environmental Goals

In addition to the above targets, the environmental targets set by each department based on Sojitz's policies can be broadly divided into business-related activities and in-office activities. Basically, all business divisions have established goals related to their businesses, while also focusing on in-office activities.

### 2-2-1. Business-Related Activities

- A. Renewable Energy Business  
We will leverage the knowledge we have gained through the development and operation of solar as well as onshore and offshore wind and biomass power generation projects in Japan and overseas. We aim to further develop businesses in growth markets, and actively supply power to RE100 companies and other customers that require renewable energy, thereby contributing to further business expansion amidst the trend of global decarbonization.
- B. Gas Business  
We are developing LNG receiving terminals and natural gas supply businesses in emerging countries and other regions where demand is expected to increase steadily over the long term. In addition to promoting a low-carbon society through the supply of natural gas, we are working to optimize energy use by combining renewable energy and new technologies to achieve decarbonization.

### C. Circular Economy Business

In light of global decarbonization and resource conservation trends, we will expand our circular economy businesses, including those promoting reuse and recycling. As specific initiatives to date, we have invested in TES-AMM JAPAN K.K., an IT Asset Disposition company; eCycle Solutions Inc., Canada's largest recycler of household appliances and electronic devices; and PET Refine Technology, Co., Ltd., which promotes chemical recycling of PET (polyethylene terephthalate). In the area of the circular economy, including metal recycling and recycling of plastic and other waste, we will build businesses with a sense of scale and promote efforts to realize a recycling-oriented society.

## 2-2-2. In-Office Activities

Office recycling target: Maintain a recycling rate of 90% for office waste.

\* We previously achieved a recycling rate of 95% for office waste in FY2016. We are committed to retaining and raising this recycling level.

### Read more

> [More on details of our 90% recycling rate target.](#)

## 3. Systems

Sojitz's president is the chief executive officer heading the company's environmental initiatives, while the GM of the Investor Relations & Corporate Sustainability Dept. is responsible for the operations of Sojitz's EMS as the lead environmental management officer of the company. The GM of the Investor Relations & Corporate Sustainability Dept. promotes the EMS by seeking participation from all employees and in cooperation with the relevant staff in each business division and other designated environmental managers.

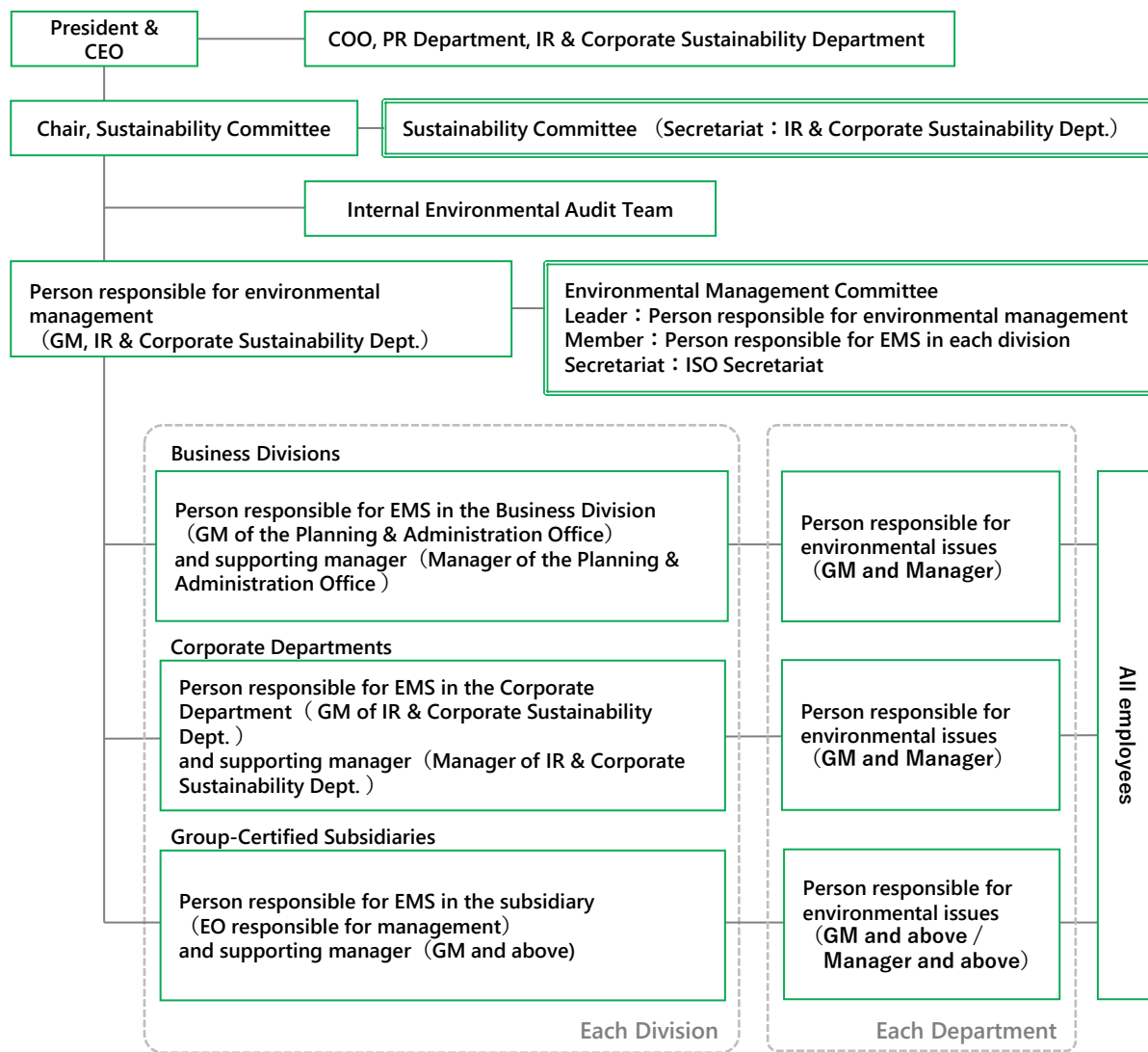
Through this system, we aim to comply with environmental laws and regulations, prevent environmental risks including those related to climate change, and promote environmentally friendly business practices. In addition, we establish and manage environmental goals by first setting targets related to environmental risk prevention, environmentally friendly businesses, energy and resource conservation, CO<sub>2</sub> emission reduction, and other climate change-related risks. We also implement a PDCA cycle to evaluate and analyze our progress and ensure that we achieve the targets we set.

In addition, we have established a Sustainability Committee which is chaired by the president. The Sustainability Committee chair conducts reviews of the environmental management system (EMS) to ensure the ongoing appropriateness, adequacy, and effectiveness of the company's EMS. The Sustainability Committee reports the results of previous management reviews, external and internal issues, risks and opportunities, achievement status of environmental targets, and the results of internal environmental audits to the chair of the Sustainability Committee. Based on the committee's report, the chair of the Sustainability Committee announces decisions, provides resolutions, and offers directives in areas such as opportunities for continuous improvement.

### Read more

> [More on the Sustainability Committee](#)

### 3-1. Sojitz Environmental Management System (EMS) Chart (ISO14001)



### 3-2. ISO14001 Certification

Sojitz Corporation and the following companies have acquired ISO14001 certification and are subject to Sojitz's EMS.

|                                 |  |
|---------------------------------|--|
| <b>Certification Body</b>       | JIC Quality Assurance Ltd.   |
| <b>Certification Number</b>     | E1436  |
| <b>Scope of Certification*1</b> | Sojitz Corporation Head Office, Kansai Office<br>Sojitz Kyushu Corporation Head Office<br>Sojitz Pla-Net Corporation Tokyo Head Office, Osaka Branch<br>Sojitz Foods Corporation Head Office, Kansai Branch, Northern Japan Branch<br>Sojitz Fashion Co., Ltd. Head Office, Tokyo Branch<br>Sojitz Machinery Corporation Tokyo Head Office, Osaka Office, Nagoya Office<br>Sojitz Kyoto Pharmatech Corporation Head Office |

|                         |                   |
|-------------------------|-------------------|
| Date of Certification   | March 16, 2006*1  |
| Date of Recertification | December 18, 2025 |
| Date of Expiry          | January 23, 2028  |

\*1 ISO14001 approval was acquired on August 20, 1999. As of March 16, 2006, the company's ISO 14001 registration was transferred to a new registrar, as a result of the business integration of certification bodies

### 3-3. ISO14001 Certification within Sojitz Group

The Sojitz Group companies that have obtained ISO14001 certification are as follows.

| Companies that have obtained ISO14001 certification (as of June 30th, 2025)   |   |
|---|---|
| <p>In Japan:</p> <ul style="list-style-type: none"> <li>■ Sojitz Corporation</li> <li>■ Sojitz Tech-Innovation Co., Ltd.</li> <li>■ Sojitz Machinery Corporation</li> <li>■ Sojitz Pla-Net Corporation</li> <li>■ Pla Matels Corporation</li> <li>■ Filtern Co., Ltd.</li> <li>■ Sojitz Building Materials Corporation</li> <li>■ Sojitz Kyushu Corporation</li> <li>■ Sojitz Foods Corporation</li> <li>■ Sojitz Fashion Co., Ltd.</li> <li>■ Sojitz LifeOne Corporation</li> <li>■ NIPPON A&amp;L INC.</li> </ul> | <p>Outside of Japan:</p> <ul style="list-style-type: none"> <li>■ Autrans (Thailand) Co., Ltd.</li> <li>■ PT. Kaltim Methanol Industri</li> <li>■ Thai Central Chemical Pcl.</li> <li>■ The Long Binh Industrial Zone Development LLC</li> <li>■ Saigon Paper Corporation</li> <li>■ Long Duc Investment Co., Ltd.</li> <li>■ Sojitz SOLVADIS GmbH</li> </ul> |

19 companies in total, including both in and outside of Japan

#### Read more

- > [Click here for the acquisition rate of ISO9001/ISO14001 certification within Sojitz Group](#)
- > [Sojitz Corporation ISO 14001](#)

### 3-4. Risk Management

As a general trading company, Sojitz conducts business activities on a global scale. In effort to coexist with local communities and the environment, we require the preparation of an "Environmental and Social Risk Checklist" to prevent environmental and social risks at the planning stage of new investment and financing projects, and conduct environmental impact assessments that take into account the entire project life cycle.

### 3-5. Environmental Audits

In accordance with ISO14001, we conduct internal environmental audits every year in addition to undergoing external audits conducted by JICQA. We confirm whether each division and group company is implementing the EMS effectively, and report the audit results to Sojitz's CEO, who holds the ultimate responsibility for the environmental initiatives of the company.

## 3-6. Environmental Communication

When customers or external stakeholders request information about Sojitz's environmental activities, we disclose the information after following the process required by the ISO14001 standard. The information required by the standard includes questionnaires and certified copies of ISO certifications. In FY2024, we responded to 158 questionnaires and submitted 23 certification copies.

## 4. Initiatives

### 4-1. Environmental Education

In order to implement our EMS, we hold a company-wide briefing session on the ISO14001 standard at the beginning of each fiscal year. In addition, we conduct trainings for internal environmental audit personnel, e-learnings for select employees on environmental laws and regulations concerning topics such as industrial waste disposal, and departmental education activities twice a year for all employees in all our organizations in order to raise awareness and impart specialized knowledge. Sojitz continues to encourage employees to take the Certification Test for Environmental Specialists (Eco Test), a certification test administered by the Tokyo Chamber of Commerce and Industry. In total, 164 Sojitz employees have received the certification.

#### 4-1-1. Environmental Education Trainings in FY2024 (for employees at Tokyo HQ and select Group companies)

| Training   | Target employees  | Number of participants |
|--|---|------------------------|
| Environmental education (held departmentally twice a year) | All employees   | Approx. 3,100          |
| E-learning course on waste management laws                 | Employees involved in waste management and regulatory reporting | 1,120                  |
| Trainings for internal environmental audit personnel       | Candidates for internal environmental audit roles               | 41                     |

### 4-2. Initiatives by Sector

#### 4-2-1. Environmental Sector Initiatives

##### Formulating Policies for Decarbonization while Pursuing Low-Carbon Businesses and Participating in Recycling Businesses

Based on a survey of CO<sub>2</sub> emissions in our business activities and on the 1.5°C scenario analysis of our thermal power generation and coal interests, we have formulated a new policy to promote decarbonization taking into account risks and opportunities that climate change poses to our businesses. We have accelerated the development of decarbonization projects such as renewable energy businesses and coal-to-gas fuel conversion projects, as well as low-carbon businesses with an eye towards decarbonization. In addition, we have established a framework for the formation of a recycling-based society by participating in recycling projects in multiple sectors.

## 4-2-2. Initiatives in the Resources Sector

### Promoting Environmentally and Socially Responsible Materials and Contributing to the Realization of a Sustainable Food System

In the lumber sector, we have increased the ratio of environmentally and socially responsible timber in accordance with our Wood Procurement Policy. In the food sector, we are contributing to the realization of a sustainable food system by beginning to handle fish sourced from full-life cycle aquaculture, among other measures.

## 5. Performance

Environmental Data



# Resource Sustainability

## 1. Policy and Basic Approach

Securing and procuring a stable supply of resources is one of the most important functions of a trading company. However, the earth's resources are limited, and we must therefore develop, supply, and use resources in a sustainable manner. Furthermore, in recent years there is a growing focus on the shift towards a circular economy in which reusing, reducing, and recycling limited resources enables the effective use of resources. Sojitz's efforts to realize a circular economy are crucial, not only from the perspective of combating the global issue of climate change and contributing to the reduction of CO<sub>2</sub> emissions from product manufacturing and waste incineration, but also because these initiatives for resource recycling create business opportunities for Sojitz.

To accomplish this aim, Sojitz has set "Resources" as one of its Materiality (Key Sustainability Issues) and pursues the development, supply, and use of sustainable resources (energy, mineral, food, water, forest, marine and other resources). We also strive to conserve resources, propose suitable energy mixes, and provide a stable supply of resources.

Furthermore, Sojitz Group's Environmental Policy states that Sojitz will engage in curbing the use of natural resources such as energy and water, and the reducing and recycling of waste; and that it will promote initiatives for the stable supply of resources and realization of a suitable energy mix.

In the course of discussing Sojitz's roadmap to a decarbonized society, we have identified technological and world trends for each decade and then determined our response and approach for each. In these discussions, we have positioned our contributions to the construction of a circular economy as an opportunity for Sojitz.

In April 2021, we changed the name of our Metals & Mineral Resources Division to the Metals, Mineral Resources & Recycling Division. Through this division, we will promote reforms of existing resource-related businesses and strengthen our recycling business initiatives.

### Read more

- > [Sojitz Group Environmental Policy](#)
- > [Materiality\(Key Sustainability Issues\)](#)

## 2. Goals and Targets

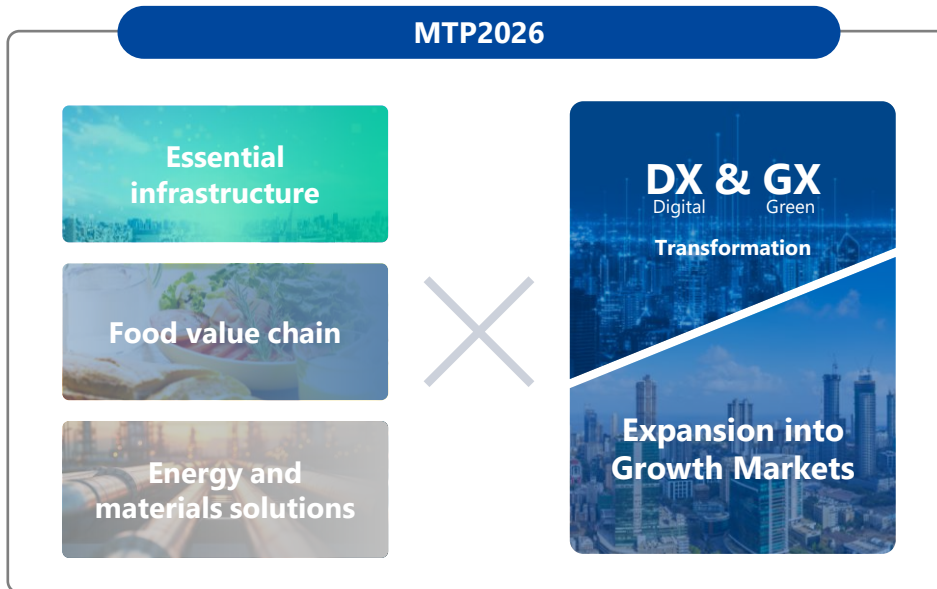
### 2-1. Targets for Sojitz's Business Activities

Sojitz has selected energy and materials solutions as a strategic focus area under Medium-term Management Plan 2026 announced in May 2024, and has committed to the following aims:

- We will pursue recycling and recycling-related businesses arising from shifting mass-consumption needs as well as pursue bio-materials businesses.

## 2-1-1. Focus Areas in MTP 2026

- Building on our track record and progress to date, we have enhanced the clarity of the priority areas defined in the Medium-Term Plan 2023, while newly adding DX and GX, and have redefined our strategic focus areas.
- By capturing evolving societal needs, we are concentrating resources on fields where we can further leverage our strengths.



## 2-2. Targets for Office Activities

Sojitz Corporation (Tokyo HQ, Kansai Office) set a target beginning in FY2020 to continuously maintain a recycling rate of 90% or more for office waste. Sojitz achieved a rate of 95% in FY2016 and is committed to maintaining this level and further improving recycling efforts moving forward.

# 3. Systems

Systems for Enacting Corporate Sustainability



## 3-1. Managing Environmental & Social Risk

### 3-1-1. Risk Management by the Sustainability Committee / Reports Submitted to the Board of Directors (Supervisory Body)

Sojitz Group classifies and defines the many risks associated with our businesses according to our Basic Code of Corporate Risk Management ( Risk Management ), and we establish a risk management policy and management plan for these risks each year, based on a resolution by the Board of Directors. Among these risks, countermeasure policy and initiatives regarding environmental and social risk (including risk related to climate change) are deliberated by the Sustainability Committee. These policies and initiatives may then be put into action following a report to the Management Committee and Board of Directors.

### 3-1-2. New Investment Projects

In addition to examining a project's business plan, deliberation on all business investments and loans require projects to be analyzed and evaluated for risks to the environment (including climate change-related risks) and risks to society (such as the risk of impacting local residents and labor safety-related risks). A project's value must be confirmed from a sustainability perspective prior to resolution.

## 4. Initiatives

Sojitz has set "resources" as one of its Materiality (Key Sustainability Issues), and pursues the development, supply, and use of sustainable resources. We strive to conserve resources, propose suitable energy mixes, and provide a stable supply of resources.

### 4-1. Participation in IT Asset Reuse and Recycling Businesses

In January 2021, Sojitz acquired a stake in TES-AMM JAPAN K.K., the Japanese branch of TES Group, one of the largest global IT asset disposition service providers. Through this investment, we look to promote the normalization of reuse and recycling of IT equipment in order to contribute to the realization of circular economies. In addition, TES Group is moving forward with the development of a lithium-ion battery recycling business that utilizes Sojitz's network.

Sojitz also holds an in-house collection drive for unused IT equipment twice a year, and the collected devices are recycled by TES-AMM JAPAN.



#### PC Lifecycle Management

Sojitz will provide comprehensive management of PCs encompassing everything from introduction to disposal.



In February 2023, Sojitz acquired a 34% stake in eCycle Solutions Inc., a wholly owned subsidiary of JX Metals and Canada's largest collector and processor of e-waste (discarded household appliances and electronic devices). Sojitz and JX Metals began joint collaboration on the recycling business in April 2023.

eCycle recycles e-waste in Canada and is also developing an IT Asset Disposition (ITAD)\* business. JX Metals is aiming to increase the ratio of recycled raw materials to 50% by 2040, and Sojitz has identified resource recycling as a key sustainability issue. Through this collaboration with JX Metals, Sojitz aims to enhance eCycle's corporate value and contribute to the realization of a recycling-oriented society.

\* IT Asset Disposition (ITAD): Services related to the effective use of IT assets such as discarded electronic devices and electronic circuit boards after data erasure, particularly their reuse and recycling.



## 4-2. Acceleration of Chemical Recycling Initiatives

The Chemicals Division has been accelerating initiatives in the plastic recycling market, which is expected to continue growing over the next 10 years or more, as part of its efforts to address environmental issues. Areas of focus in this regard include the capacity for processing mixed plastics comprising multiple types of plastic, the ability to use the naphtha created by refining said plastics in existing petrochemical facilities, and the potential for the production of recycled plastic with a level of quality on par with conventional plastic. With these areas of focus, we have been moving ahead with the development of waste plastic chemical recycling processes that utilize thermal decomposition oil production technologies.



## 4-3. Support for the United Nations Food Systems Summit (FSS)\*1

Sojitz supports the United Nations Food Systems Summit (FSS), which was held to promote concrete actions to transform food systems\*2 to be more sustainable as part of the UN's efforts to achieve all of the Sustainable Development Goals (SDGs).

Sojitz will contribute to the realization of greater sustainability in food systems through its initiatives to provide a stable supply of food resources.

\*1 The UN Food Systems Summit was a summit conceived of by United Nations Secretary-General António Guterres as an essential step to transform food systems to become more sustainable and to achieve the UN's Sustainable Development Goals (SDGs).

\*2 Food systems refer to the series of activities involved in the production, processing, transport, and consumption of food.

- Source: Ministry of Agriculture, Forestry and Fisheries UN FSS
- Source URL: [https://www.maff.go.jp/j/kokusai/kokusei/kanren\\_sesaku/FAO/fss.html](https://www.maff.go.jp/j/kokusai/kokusei/kanren_sesaku/FAO/fss.html)

### 4-3-1. Goals and Targets

Sojitz will lead the way globally in promoting the spread of MSC-certified sashimi tuna in order to pursue sustainable use of natural fishery resources. MSC certification provides proof that the seafood was caught by a responsible fishery in a sustainable manner.

In its tuna farming business, Sojitz is committed to sustainable aquaculture and aims to maintain its certification from the Seedling Council for Sustainable Aquaculture (SCSA).

Sojitz aims to utilize IoT and AI to industrialize tuna farming in order to improve the efficiency of its aquaculture business.



#### Read more

> [Sojitz Tuna Farm Takashima](#)

## 5. Performance

Environmental Data



# Pollution Prevention

## 1. Policy and Basic Approach

As economic development progresses around the globe, pollution issues such as chemical spills, water pollution and soil contamination, air pollution resulting from hazardous waste, and ocean pollution have become serious issues. In response, countries around the world are advancing preventive measures and formulating various standards and laws. Sojitz believes that it is extremely important to reduce its environmental impact and conserve the environment by preventing pollution, curbing waste, recycling, and reusing resources as part of its corporate responsibility in the course of its business activities.

For Sojitz Group, which is engaged in a variety of businesses around the world, including handling various chemicals and materials, preventing pollution is one of the most fundamental and critical aspects of ensuring the sustainability of our businesses. Sojitz Group promotes a wide variety of initiatives related to pollution prevention with the aim of fulfilling its responsibility to society.

One of Sojitz's Key Sustainability Issues (Materiality) is Environment "contribute to the global environment through our businesses." As a component of these efforts, Sojitz "strives to preserve the environment and create businesses that are both highly competitive and environmentally friendly by pursuing environmental sustainability in its businesses." Furthermore, as outlined item 2, "Minimize Environmental Burden" and item 4, "Consider the Environment in New Businesses" of Sojitz's Environmental Policy, Sojitz will work to "reduce the burden on the environment and prevent pollution."

### Read more

- > [Sojitz's Materiality\(Key Sustainability Issues\)](#)
- > [Sojitz's Environmental Policy](#)

## 2. Goals and Targets

### 2-1. Pollution Prevention

In its chemical business, Sojitz Group aims to (1) comply with relevant laws and regulations concerning various chemical substances, (2) prevent accidents by promoting safety management, and (3) conduct corporate activities and actions in consideration of the environment. In order to ensure that there are no omissions in the handling of chemical substances at related business sites, we have created manuals with specific procedures. These manuals stipulate the guidelines for handling chemicals, the relevant laws to be observed, and how to deal with hazardous substances.

In addition, we strive to prevent accidents from occurring and to minimize damage in the event of an accident by establishing systems to manage chemical substances and for responding to emergencies.

## 2-2. Compliance with Environmental Laws and Regulations

We remain apprised of the applicable laws and regulations to regularly confirm compliance conditions not only at Sojitz Corporation, but also at our Group companies. Internal audits of our Group companies also include checks on these compliance conditions.

## 2-3. Promoting Employee Awareness

We will make this policy known to all executives and employees, and continue to carry out educational and awareness-raising activities.

# 3. Systems

Sojitz's implementation of sustainability initiatives



## 3-1. Risk Management Systems

### 3-1-1. Quality Management Policy

Sojitz develops operations in a wide range of fields to fulfill its mission as a general trading company: delivering goods and services where there is a need. Our value chain spans from resource development through to production, processing, wholesale, distribution, and finally retail sales and service provision.

We have established the Sojitz Group Quality Management Policy to define basic principles for quality management that we expect to be observed on a company-wide basis. Guided by this policy, Sojitz practices quality management at the frontline organizations that interact directly with customers. We thereby seek to provide our customers and society with safe and reliable goods and services.

#### Read more

> [Responsibility to Our Customers](#)

### 3-1-2. Environmental and Social Risk Management in New Business

Prior to deliberating on new investment and loan projects, we require the department applying for investment and loan approval to complete an "Environmental and Social Risk Checklist." The department works to prevent environmental pollution by using the checklist to ensure that they conduct the necessary due diligence regarding all potential risks, such as soil, groundwater, or water contamination.

< Environmental and Social Risk Checklists >

### 3-1-3. Monitoring Existing Businesses

Through external and internal analysis, we identify business areas that pose a high risk of environmental and wastewater pollution from among Sojitz Group businesses, including Group companies (consolidated subsidiaries and holding companies) and business partners, and analyze where environmental and social issues are generally prone to occur throughout entire supply chains from upstream to downstream. Moving forward, we will continue to implement the PDCA (Plan-Do-Check-Action) cycle for risk response based on third-party opinions from external experts, maintain a high level of awareness of environmental issues throughout the Group, and strengthen our initiatives for identifying new risks.

In addition, Sojitz Corporation has acquired ISO 14001 certification, the international standard for environmental management. We will also conduct monitoring from the perspective of our pollution prevention efforts.

### 3-1-4. ISO14001 Monitoring

#### Confirming Compliance with Laws and Regulations

We confirm that all Sojitz departments and target Group companies comply with the laws and regulations related to chemical substances and anti-pollution measures, such as RoHS regulations, REACH regulations, and industrial waste laws. Sojitz's president serves as the chair of the Sustainability Committee, which confirms issues such as whether Sojitz is in compliance with these anti-pollution laws and regulations, and carries out management reviews to provide corrective instruction.

### 3-1-5. Establishing Action Plans for Departments and Offices

The policies and items resolved by the Sustainability Committee and reported to the Management Committee and Board of Directors are made known to employees not only through the company intranet, but also through regularly held briefing sessions with each department, organized by the Sustainability Committee secretariat.

Items resolved by the Sustainability Committee are established by each department and office at the beginning of the period. These consist of 1) environmental impact of business activities around the world, and an analysis of related laws and regulations; and 2) goal setting and action plans to mitigate these environmental impacts, including those related to pollution prevention. These items are reviewed by each department and office every six months, and the results of these reviews are evaluated by the Sustainability Committee and reported to the Management Committee at the beginning of the following year.

## 3-2. Safety Management in the Chemicals Business

The Chemicals Division implements the following safety management system in line with the aforementioned policies and targets set out by Sojitz Group.

### 3-2-1. Compliance with Chemicals Management Regulations and Sojitz Safety Initiatives

The Chemicals Division has established a set of policies regarding the handling of chemicals that includes the Chemicals Management Guidelines and the Chemicals Management Regulations—a document created in accordance with current chemicals-related laws and regulations. The Chemicals Division keeps division members informed regarding their content through ongoing training initiatives and maintains the following records: an organizational chart for the Sojitz chemicals management system, a record of all approved chemicals, a registry of employees bearing legal liability in chemicals-related matters, and an emergency contact chart.

The Chemicals Division ensures strict compliance with a wide range of laws and regulations relating to environmental management systems, including Japan's Chemical Substances Control Law, Industrial Safety and Health Act, PRTR Act, Poisonous and Deleterious Substances Control Act, Fire Service Act, and High-Pressure Gas Safety Act.

Sojitz provides a Safety Data Sheet (SDS) for each chemical product it handles in order to appropriately notify all business partners throughout the company's supply chains regarding the hazard and toxicity information for each product. For imported products, Sojitz also includes the appropriate labeling in accordance with Japanese laws and requirements to ensure that end users can use the products safely. SDSs include information on relevant environment protection-related laws and regulations including the PCB Special Measures Law, Fluorocarbon Emissions Control Act, Water Pollution Prevention Act, Soil Contamination Countermeasures Act, Air Pollution Control Act, and Offensive Odor Control Law.

No violations of environment-related laws and regulations were reported at Sojitz Group in FY2024.

### 3-2-2. Centralized Management of Chemical Products

The Chemicals Division centrally manages all chemical products handled by Sojitz Group. The CAS registry number and content percentage for each chemical compound contained in a chemical product are listed on each product's SDS, and this information is compiled in a central list maintained by the Chemicals Division. This system allows employees to quickly identify which products are subject to specific regulations, such as the Industrial Safety and Health Act, PRTR Act, or Poisonous and Deleterious Substances Control Act. Employees can also easily identify and implement the necessary response in the event of a revision to a law or regulation.

### 3-2-3. Chemicals Management Training

The Chemicals Division conducts ongoing trainings and seminars for all employees on chemicals management and environment-related laws and regulations. In FY2024, a total of roughly 211 employees participated in chemicals management trainings both in person and online.

As part of initiatives to improve employees' chemicals expertise, we hold small, in-person training for key topics. These trainings are held over multiple sessions and are adapted to match the skill levels and requirements of the participants.

(Current as of March 2025)

| Training   | Participants |
|--|--------------|
| New employee training: Basics of chemicals management                              | 25           |
| Introductory training: Import/export trade and registration of chemical substances | 34           |
| E-learning: Company policies on chemicals management                               | 208          |
| Basic and practical training: Management of poisonous and deleterious substances   | 88           |
| On-site training at chemical tank operating company                                | 15           |

### 3-2-4. Chemicals Requiring Gradual Phase-Out

In accordance with international conventions and applicable domestic laws and regulations, the Company responds to requests from business partners and regulatory authorities while promoting the appropriate management and phased elimination of chemical substances that may have adverse effects on human health and the environment.

Specifically, Nippon A&L Inc., a group company engaged in the handling of chemical products, is working to completely phase out the use of specified fluorocarbons used in its production processes by transitioning to alternative fluorocarbons with lower environmental impact. The current volume of specified fluorocarbons in use has already been reduced to a minimal level, and the remaining usage will be gradually replaced with alternative fluorocarbons in line with equipment upgrades, in accordance with the Company's internally established phase-out timeline.

## Other Regulated Chemical Substances

The Company refers to relevant international conventions and domestic and overseas regulations, including the Montreal Protocol, the Stockholm Convention, the Minamata Convention, the Chemical Substances Control Law (CSCL), the PRTR Law, the EU REACH Regulation, the RoHS Directive, and the Waste Management and Public Cleansing Act.

Across all departments and domestic group companies subject to Japanese regulations, compliance is regularly monitored under the environmental management system, and corrective actions and improvements are implemented as necessary.

## Future Policy

The Company will continue to address substances currently subject to regulation and, in the event that additional chemical substances become newly regulated, will formulate appropriate management plans, including risk mitigation measures, to ensure proper and timely responses.

### 3-2-5. Use and Management of Substitutes for Substances of Concern

The Chemicals Division has no history of utilizing substitutes for substances of concern.

### 3-2-6. Environmental Incidents and Risk Management System: Initial Reporting Process (IPPOU)

The Chemicals Division has established a system for ensuring prompt reporting to relevant departments and regulatory authorities in the event of an unexpected chemicals-related incident. Sojitz's chemicals management organizational chart and emergency contact chart enable those on site to quickly report any incident to management and other relevant departments, identify the cause, take appropriate corrective measures, and consider future preventative measures. Through this system, the Chemicals Division aims to minimize the spread of damages and to be thorough in implementing prevention strategies.

There were no environment-related incidents at Sojitz Corporation and Group consolidated subsidiaries in FY2024.

## 4. Initiatives

Based on the aforementioned policies, Sojitz Group implements various initiatives to prevent pollution as describe below.

### 4-1. Initiatives at NI Chemical Corporation

NI Chemical Corporation is a Sojitz Group subsidiary involved in the chemical and oil tank leasing business. The company also stores toxic and hazardous materials, primarily including flammable liquids. These are some of NI Chemical's anti-pollution measures and environmental initiatives.



### 4-1-1. VOC Measures

Volatile organic compounds (VOC) impact the level of photochemical oxidants \*, and NI Chemical uses a device to collect VOC to reduce emissions into the atmosphere.

VOC collected: FY2021 (83 ton) , FY2022 (76 ton) , FY2023 (93 ton)

\* Photochemical oxidant is the general term given to substances created by a photochemical reaction that occurs when VOC or other compounds are hit by ultraviolet rays from the sun. If the concentration of photochemical oxidants rises, it can result in photochemical smog, or white, mist-like air that can cause irritation to the eyes or throat and other health hazards.



### 4-1-2. Management of Hazardous Waste

When cleaning tanks, hazardous waste is at times present, including certain chemicals that are highly flammable. Hazardous waste is stored in a specific storage area that follows all waste regulations pertaining to storage, management, and disposal.

In terms of the Waste Management and Public Cleaning Law, NI Chemical is required to submit an industrial waste disposal plan that includes the disposal of hazardous waste as well as submit its disposal records. The company monitors waste management according to this plan and reports to the government. Additionally, NI Chemical implements innovative measures for tank cleaning as well as ways to reduce residue buildup that would require cleaning in order to minimize the production of industrial waste.



### 4-1-3. Installation of Oil Fences

NI Chemical transfers chemical raw materials owned by its customers from tanker ships to tanks on open water. In the unlikely event of a chemical spill, NI Chemical has an oil fence installed on-site to prevent sea pollution.

NI Chemical has also established a joint organization to prevent maritime disasters, and in the unlikely event of an accident will make use of the organization's oil boom extender.

NI Chemical has no record of ocean pollution or pollution incidents to date.



#### 4-1-4. Establishment of a joint maritime disaster prevention organization with neighboring companies

Disaster drills are held regularly.

Partnering with neighboring companies, NI Chemical has established a joint maritime disaster prevention organization, which regularly holds joint drills that include flood control and other practices to strengthen its disaster prevention capabilities.

This joint organization owns two fire engines and has three people stationed on duty at all times throughout the year.



Preparing to extinguish a fire



Joint disaster prevention drills begin



Closing a valve

#### 4-1-5. ISO9001

In order to maintain quality control, safety standards, and efficient handling of chemical products, NI Chemical obtained ISO9001: 2015 certification and strives to maintain certification for 20 years.

## 4-2. Initiatives at Sojitz Pla-Net Corporation

Sojitz Pla-Net Corporation is a core Sojitz Group company engaged in the plastic resin business. Leveraging the unique properties of plastic, Sojitz Pla-Net conducts business in a diverse range of industries including automotives and appliances, housing, food packaging, and more. Sojitz Pla-Net is also focused on environmentally sustainable business fields, and the company's Green Polyethylene business is one example of its commitment to the environment.

### 4-2-1. What is Green Polyethylene?

Green Polyethylene is a recyclable biomass polyethylene (non-biodegradable resin). Based on bioethanol, a raw material derived from sugar cane, biopolyethylene contributes to carbon neutrality by serving as an alternative to petrochemical polyethylene, without sacrificing the benefits and physical properties of traditional plastics.

Brazil's Braskem S.A. is the world's sole manufacturer of green polyethylene, and Sojitz Pla-Net has served as Braskem's distributor for the Asian market since 2012. Through this partnership, Sojitz Pla-Net and Braskem have jointly promoted sales of Green Polyethylene to customers. All products manufactured using petrochemical-derived polyethylene can also be made using Green Polyethylene, and Green Polyethylene is being adopted across multiple fields including medical care, pharmaceuticals, food products, and household goods.

### 4-2-2. Reducing CO<sub>2</sub> Emissions

Because the raw materials for Green Polyethylene come from plant-based sugar cane, which captures CO<sub>2</sub> through photosynthesis during its growth process, even after offsetting the CO<sub>2</sub> generated in the manufacturing process, this polyethylene is still carbon negative. According to a research firm in Brazil, their evaluation is that -2.12 kgs of CO<sub>2</sub> are captured per manufactured 1kg of Green Polyethylene.

As a result, Green Polyethylene achieves a reduction of -5.22 kgs compared to conventional fossil fuel-based PE.

### 4-2-3. Provision of Information on Chemical Substances and Raising Consumer Awareness

As a bridge between suppliers and users, Sojitz Pla-net actively discloses detailed information on green polyethylene—an environmentally friendly material—including its feedstock characteristics, chemical properties, and environmental impact reduction effects, through its website and other channels. Through these efforts, we aim to raise awareness among customers and consumers who seek environmentally responsible products.

In addition to providing information, we continue to collaborate with Braskem to jointly develop new grades tailored to customer needs.

#### Read more

> [Green Polyethylene Special Website | Sojitz Pla-Net Corporation](#)

## 4-3. Initiatives of Sojitz Tuna Farm Takashima Co., Ltd.

Sojitz Tuna Farm Takashima Co., Ltd., a group company of Sojitz Corporation, is a specialized producer engaged exclusively in the aquaculture of Pacific bluefin tuna. Leveraging favorable fishing ground conditions, the company currently raises approximately 40,000 bluefin tuna. The farmed tuna grow to an average weight of around 50 kg over a period of approximately three and a half years and are shipped to fresh fish retailers and the food service industry.

The company recognizes minimizing the environmental impact of its aquaculture operations on surrounding marine environments as a key management priority and actively promotes initiatives to prevent seawater pollution and conserve water quality. The following outlines the company's primary measures to prevent marine pollution.

### 4-3-1. Strict Control of Feeding Practices

At Sojitz Tuna Farm Takashima, feeding volumes are carefully managed based on daily monitoring of water temperature in order to prevent water quality deterioration caused by overfeeding or environmental changes. Through appropriate adjustment of feed quantities and thorough water temperature control, the company seeks to reduce environmental burdens while ensuring the healthy growth of tuna. In addition, vitamins are administered as necessary to help mitigate disease risks.

### 4-3-2. Compliance with the Water Pollution Control Act and the Waste Management and Public Cleansing Act

To prevent environmental impacts from wastewater and waste, the company strictly complies with the Water Pollution Control Act and the Waste Management and Public Cleansing Act. Furthermore, monitoring in accordance with ISO 14001 is conducted to continuously verify and improve the appropriateness of wastewater management and waste disposal practices, thereby contributing to the prevention of seawater pollution.

## 5. Performance

### Number of incidents or violations by Sojitz Group concerning water intake and discharge

FY2024: 0 cases

# Water Resources

## 1. Policy and Basic Approach

Water is an essential resource that supports all human activity, including corporate activities. However, saltwater makes up the majority of the earth's water resources, and the amount of fresh water available for use by humans is extremely limited. Regions across the world are facing water resource problems such as water shortages brought on by population growth and increasing competition for available fresh water. Water resources are also unevenly distributed across countries and regions.

Furthermore, it is expected that local communities and businesses will increasingly be impacted moving forward due to the emergence of physical risks such as the changes in rainfall patterns caused by climate change.

Sojitz Group develops a wide range of business in a multitude of countries and regions around the world, and it therefore recognizes the importance of conservation and sustainable use of water resources. Sojitz has declared its commitment to "develop, use, and supply sustainable resources" as part of its Key Sustainability Issues (Materiality) and the Sojitz Group Environmental Policy promotes the recycling and the conservation of natural resources, including water.

Sojitz implements initiatives for reducing its water usage based on these policies and conducts regular checks to monitor the impact of water risks on Sojitz business. Sojitz also strives to provide solutions to water-related social issues through its business.

### Read more

- > [Materiality\(Sustainability Issues\)](#)
- > [Sojitz Group Environmental Policy](#)
- > [Complying with TCFD](#)

## 2. Goals and Targets

In addition to preparing for transition risks brought on by new regulations aimed at mitigating climate change, we are also planning ways to address physical risks in the event that climate change cannot be avoided and global warming continues to progress. To begin with, we are primarily focusing on water-related physical risks, such as damages to assets from floods and droughts. During Medium-term Management Plan 2020, we first surveyed the status of actions taken to address water stress by Sojitz Group's top water users and confirmed that there were no problems with their on-site measures or with their systems for reporting to Sojitz headquarters. Moving forward, we will take steps to address other physical risks on our business. Sojitz is also engaged in initiatives for the conservation of natural resources, including water, and recycling.

### Read more

- > [Addressing Physical Risks](#)

## 3. Systems

Sojitz's implementation of sustainability initiatives



### 3-1. Risk Management

#### 3-1-1. Existing businesses

Sojitz Group uses Aqeduct, a tool for analyzing water risk developed by the World Resources Institute, to carefully analyze all water-related risks, including potential damages to assets caused by floods and droughts.

During Medium-term Management Plan 2020, we first surveyed the status of actions taken to address water stress by Sojitz Group's top water users and confirmed that there were no problems with their on-site measures or with their systems for reporting to Sojitz headquarters.

Moving forward, Sojitz plans to conduct regular checks to monitor the impact of water risks on Sojitz business and disclose the results of quantitative surveys it conducts.

#### 3-1-2. New Business

Prior to deliberating on new investment and loan projects, Sojitz requires the department applying for investment and loan approval to complete an "Environmental and Social Risk Checklist." Using the checklist, the department confirms that they have conducted the required due diligence and taken all necessary measures to deal with potential environmental risks, such as impact to biodiversity; soil, groundwater, or water contamination; impact on water resources in water-stressed regions; and impact on indigenous peoples.

## 4. Initiatives

### 4-1. Conducting Water Risk

Water is an indispensable natural resource for corporate activities. However, water resources are unevenly distributed, and both water scarcity and excessive water availability can have impacts on business operations and supply chains. Specifically, key risks include water scarcity risks driven by increasing water demand associated with population growth and economic development, as well as physical risks such as floods and droughts caused by climate change.

Water Scarcity Risk:

As water demand increases due to population growth and the expansion of economic activities, shortages of water resources may occur. This can lead to operational disruptions, including the inability to secure the freshwater necessary for business operations.

Physical risks:

The higher frequency of extreme weather phenomena brought on by climate change can lead to flooding and drought.

To comprehensively assess the potential impacts on our business operations, Sojitz regularly conducts water risk surveys using Aqeduct, a tool for analyzing water risk provided by the World Resources Institute.

## 4-1-1. Response to Water Scarcity

### Approach

Our Group conducts an annual assessment based on the following approach:

#### 1. Identification of Water Withdrawal Volumes

From among Group companies, those with relatively high water withdrawal volumes are identified, and their water use conditions are reviewed.

#### 2. Identification of Material Risk Sectors

Sector-specific water-related risks are organized and identified with reference to internationally recognized questionnaires (such as CDP), NGO reports, and regulatory designations in each country.

#### 3. Assessment Using the Water Risk Map "Aqueduct"

The Aqueduct water risk map is utilized to assess and update the status of water stress.

Based on the three criteria above, additional surveys are conducted for operating companies that meet any of the following conditions. This framework enables us to confirm site-level response measures and potential impacts on assets.

- Water withdrawal exceeds a defined threshold
- The company operates in a material risk sector
- Water stress is classified as Very High or High

### Results

In the FY2025 assessment, no operating companies were identified as requiring additional surveys. We will continue ongoing monitoring and further strengthen our water risk management framework.

## 4-1-2. Water Withdrawal in Water-Stressed Regions

Sojitz Group uses Aqueduct, a tool for analyzing water risk developed by the World Resources Institute. The following table details the total amount of water withdrawn by Sojitz Group business sites located in regions categorized as having "High" or "Extremely High" water stress according to the Aqueduct evaluation system. The sectors identified by external consultants as high-risk for water-related issues (agriculture, power generation, paper and pulp, chemicals, metals, oil refining, mining, food and beverage, textiles) are included in the scope of the survey.

|  | FY2021 | FY2022 | FY2023 | FY2024 |
|--|--------|--------|--------|--------|
| Number of business sites located in water-stressed regions   | 7      | 11     | 18     | 19     |
| Total amount of water withdrawal by business sites located in water-stressed regions (1000 cubic meters) | 192    | 174    | 209    | 278    |

## 4-1-3. Physical Risks

### Method

Identification of Risks :

Focusing on acute physical risks, which are an urgent challenge—particularly flooding, an area of high investor interest—we utilized Aqueduct, a water-risk analysis tool that references scenarios such as the 4°C scenario (RCP8.5). Using this tool, we assessed riverine and coastal flooding risks at group company locations, including factories.

### Results

We confirmed that several business sites, mainly in Southeast Asia, face high levels of riverine and coastal flooding risk. Amount of assets with potential financial impact (tangible fixed assets): Approximately JPY 29 billion.

This figure represents the balance of tangible fixed assets as of March 2025 (excluding leased assets) at sites classified as “Extremely High” or “High” in the Aqueduct assessment.

### Read more

> [Complying with TCFD Physical Risks](#)

## 4-2. Initiatives in Water-Stressed Regions

### 4-2-1. Entry into the Desalination Business

Sojitz has entered the natural-gas power and desalination business in the Emirate of Abu Dhabi, United Arab Emirates, a water-stressed region.

In May of 2021, Sojitz acquired a 20% stake in Mirfa International Power and Water Company (MIPCO), which operates the Mirfa Independent Water and Power Project in the Emirate of Abu Dhabi, United Arab Emirates. The company acquired all shares in MIPCO held by SHUAA Capital, a major asset management and investment firm in the Emirate of Dubai. Sojitz manages operations together with existing shareholders Abu Dhabi National Energy Company PJSC (TAQA), one of the largest integrated utilities companies in the EMEA region based in Abu Dhabi, along with ENGIE SA, a major French energy company with extensive experience in the development and operation of large-scale IPP/IWPP projects around the world.

The project consists of natural gas-fired power facilities which have a generation capacity of 1,600MW and desalination facilities which have a desalination capacity of 52.5 million imperial gallons per day. Sojitz and its partners own and operate the power and desalination plant. All electricity and water produced by the plant are sold to Emirates Water and Electricity Company under a 25-year long-term power and water purchase agreement. Sojitz seeks to provide a stable supply of electricity and water in Abu Dhabi where demand is increasing in response to economic development utilizing natural gas which is an environmentally friendly fossil fuel with a lower environmental burden of combustion compared to other types of fossil fuels used for thermal power plants.



[Mirfa power and desalination plant]

### Read more

> [Sojitz Enters Natural Gas-fired Power and Desalination Project in the United Arab Emirates | News Room | Sojitz Corporation](#)

## 4-3. Initiatives to Reduce Water Consumption

### 4-3-1. Initiatives within our Fertilizer Business

Sojitz Group subsidiary Japan Vietnam Fertilizer Co., Ltd. (JVF) produces compound chemical fertilizers using steam granulation. This manufacturing process pulverizes the raw materials, creating dust particles, but JVF has introduced equipment to control the amount of dust released into the atmosphere.

Additionally, the fertilizer mixing process uses water. The water used in this process is the same water used to collect the aforementioned dust particles. In this way, JVF recycles water within the facility to create a factory with zero water discharge.

These efforts to control air pollution and use water resources effectively have helped JVF achieve sustainable operations.



Production and sales of compound chemical fertilizer Business in Vietnam (Japan Vietnam Fertilizer)

## 4-4. Cooperation with Our Stakeholders

Sojitz is a member of the Japan Foreign Trade Council's\* Sustainability Promotion Committee and is actively involved in the creation of a recycling-based society, including through management of water resources.

\* Japan Foreign Trade Council is a group member of "KEIDANREN" (Japan Business Federation).

## 5. Performance

### Number of incidents or violations by Sojitz Group concerning water intake and discharge

FY2024: 0 cases

Environmental Data



# Biodiversity

## 1. Policy and Basic Approach

Sojitz handles food resources, marine resources, forest products, and the company's business activities also span resource development and plant construction. We therefore recognize the importance of protecting and maintaining biodiversity that supports the ecosystems of the forests, oceans, and rivers that serve as the processing sites, mining sites, or places of origin for products.

In recent years, corporate biodiversity initiatives have received growing international attention. At the same time, stakeholders' expectations for Sojitz have increased, and Sojitz sees conserving biodiversity as essential for sustainable business management and raising its corporate value as the Sojitz Group.

Sojitz Group has set initiatives for protecting biodiversity as one of its Materiality(Key Sustainability Issues) under "Environment" and included the preservation of biodiversity in its Sojitz Group Environmental Policy.

### Read more

- > [Materiality\(Key Sustainability Issues\)](#)
- > [Sojitz Group Environmental Policy](#)

Biodiversity issues vary in severity depending on the region and sector, and Sojitz establishes policies to specifically target businesses in regions and sectors with biodiversity-related risks.

### Read more

- > [Wood Procurement Policy](#)
- > [Palm Oil Procurement Policy](#)
- > [Marine Products Procurement Policy](#)

## 2. Goals and Targets

### 2-1. Overall Target

By preserving biodiversity, we will strive to minimize the environmental burden of our businesses.

## 2-2. Specific Targets

### 2-2-1. Wood Procurement Initiatives

Sojitz recognizes various issues regarding imported wood, such as threats to biodiversity in certain areas. Sojitz Group is working together with each supplier to monitor and improve the legality of logging practices as well as promote consideration for the environment and society in areas where logging takes place, as outlined in the Sojitz Wood Procurement Policy. Specifically, Sojitz has set the following quantitative targets.

#### Quantitative Targets

Sojitz Group will ensure that by FY2025, 100% of the wood we handle is either certified wood (Level A), or wood that has not been certified, but that we have verified as being procured through environmentally conscious methods (Level B).

\* Definitions for each level

Wood was evaluated for 1) traceability back to the place of origin and 2) suitability of forest management, after which it was sorted into one of the following four levels.

Level A : Wood confirmed to be certified wood (\*) or wood confirmed to have a high level of management equivalent to certified wood

Level B : Wood which has not been certified, but for which we have verified both traceability and suitability of forest management (i.e. that the forest is subject to environmentally and socially conscious forest management)

Level C : Traceable wood

Level D : Wood lacking traceability

\* Wood certified under FSC®, PEFC, etc. FSC®-certified wood is given the highest score.

#### Read more

> [Sojitz's Wood Procurement Policy Initiatives](#)

## 3. Systems

Sojitz's implementation of sustainability initiatives



### 3-1. Risk Management

#### 3-1-1. Managing Environmental Risk for New Investment & Loan Projects

Prior to deliberating on new investment and loan projects, Sojitz requires the department applying for investment and loan approval to complete an "Environmental and Social Risk Checklist." Using the checklist, the department confirms that they have conducted the required due diligence and taken all necessary measures to deal with potential environmental risks, such as impacts to biodiversity.

## 4. Initiatives

### 4-1. Complying with TNFD

Sojitz is proactively working to enhance disclosure on nature-related risks and opportunities by leveraging the framework recommended by the Taskforce on Nature-related Financial Disclosures (TNFD\*).



Sojitz joined the TNFD Forum in April 2023. For information on disclosures aligned with the TNFD framework, please refer [here](#).

### 4-2. Environmental Protection and Social Contribution Initiatives in Mine Development and Operating Businesses

In mine development and operation businesses, Sojitz gives due consideration to environmental protection, health and safety management, and contribution to local communities. Mine development entails various risks, but we proceed with projects only after internally verifying that sufficient pollution and accident prevention measures are in place, which allows us to prevent risks before they materialize. Even after the mine is in operation, we work to ensure that mines are continuously operated with thorough safety and health management processes. We also strive to reduce environmental impact and promote environmental conservation through measures such as mine rehabilitation for all mines as necessary.

For example, at a Sojitz-owned open-cut coal mine in Australia we keep the topsoil that is removed for mining and use it after the mining is finished to cover up the mined area. We then work to restore the land to its original condition by planting new native vegetation. In addition, we carry out a range of social contribution activities with a focus on realizing a sustainable coexistence with surrounding communities.

In addition, Sojitz manages and operates Meteor Downs South Coal Mine in Australia, where it secures habitats both on-site and in part of the surrounding area for rare flora and fauna such as squatter pigeons that could potentially be affected by mining activities. Sojitz conducts all conservation activities in accordance with related laws and regulations and in line with approved conservation plans.

### 4-3. Bluefin Tuna Aquaculture Business

Sojitz established Sojitz Tuna Farm Takashima in 2008 in Takashima-cho, Matsuura City, Nagasaki Prefecture. Sojitz has since been engaged in the bluefin tuna farming business.

#### 4-3-1. Sojitz Obtains SCSA Certification for Artificial Seedlings

SCSA certification is granted for producers of sustainable seedlings. Sojitz Tuna Farm Takashima has acquired SCSA certification, which ensures traceability of all the tuna shipped by the subsidiary as entirely artificially cultured tuna. Additionally, tuna farming that uses artificial seedlings can help to protect marine resources such as bluefin tuna as shortages have posed an issue in recent years.

## Read more

> [Sojitz Tuna Farm Takashima](#)

### 4-3-2. Training Future Leaders through Sojitz's Tuna Farm Aquaculture Business

Since May 2021, Sojitz has used its tuna farming business to provide students from Kyoritsu Women's University and Tokyo Kasei University with an opportunity to learn about aquaculture and to experience the business environment firsthand as part of an effort to help train the next generation of professionals and leaders.



Educational activities for university students (from an online lecture for students from Kyoritsu Women's University)



Elementary school students observe tuna processing

## Read more

> [More on Sojitz's Tuna Aquaculture Training Programs](#)

## 4-4. Marine Products (Fisheries) Certification

### 4-4-1. MSC Certification

Sojitz Food Corporation, TRY Inc., The Marine Foods Corporation and Dalian Global Food Corporation of Sojitz Group that handle marine products have acquired the MSC's CoC Standard.

**MSC** : The Marine Stewardship Council. An international non-profit organization that seeks the expansion of sustainable and appropriate fishery management practices in order to preserve marine resources for future generations, through its certification system and labeling program.

**CoC** : Chain of Custody. A certification recognizing proper controls of certified fishery products and the elimination of products from non-certified fisheries, ensuring traceability of certified fishery products throughout the entirety of the production, processing, and distribution process.

## 4-5. Environmental Education and Training

In order to improve employee understanding of environmental issues and of Sojitz's Environmental Management System (EMS), Sojitz holds environmental trainings twice a year for all employees and for the designated environmental managers within each organization. In addition, Sojitz offers other learning opportunities including trainings for internal environmental audit personnel and an e-learning course on waste management laws that is available to all employees. Environmental information is also provided to employees through the company intranet.

Sojitz encourages employees to take the Certification Test for Environmental Specialists (Eco Test), a certification test administered by the Tokyo Chamber of Commerce and Industry. In addition, Sojitz holds riverside cleanup events along the Arakawa River for Sojitz Group employees and their families. This initiative aims to foster a culture of volunteering among employees and offer an opportunity to reflect on key environmental issues such as marine waste, microplastics, and the importance of conserving biodiversity.

After the cleanup events, Sojitz holds a follow-up workshop where employees can make accessories using the microplastics collected on the riverside. This hands-on activity encourages employees to consider the impact that environmental issues have on daily life.



## 4-6. Collaboration with Our Stakeholders

### 4-6-1. Participation in TNFD (Taskforce on Nature-related Financial Disclosures)

Sojitz participates in the forum held by Taskforce on Nature-related Financial Disclosures (TNFD), which is an international organization established in June 2021 with the aim of assessing and disclosing biodiversity-related risks and opportunities for corporations and financial institutions.

#### Read more

> [More on the TNFD forum](#)

### 4-6-2. Endorsement of the Declaration of Biodiversity by Keidanren and Action Policy



Sojitz expresses its support for Keidanren (Japan Business Federation) and Keidanren Committee on Nature Conservation's Declaration of Biodiversity by Keidanren and Action Policy, which was revised in October 2018.

#### Read more

> [More on the Declaration of Biodiversity by Keidanren and Action Policy \(Revised\)](#)

### 4-6-3. Participation in CDP Forests

Sojitz responds to the Forests questionnaire administered by CDP which evaluates forest management in the supply chains of companies. CDP is a non-profit organization that collects data from major companies across the world regarding their environmental strategies such as climate change-related initiatives. As a result of the 2025 questionnaire, Sojitz received a high score of management level (B) in Forests (timber).

## 5. Performance

### 5-1. Wood Procurement Initiatives

Sojitz established a goal to meet 100% wood traceability (0% of Level D) by FY2020, and the company has achieved this goal for seven consecutive years from FY2018 through FY2024. Additionally, Sojitz has set a new target for FY2025 to ensure that 100% of the wood procured is environmentally conscious (Level A or Level B).

#### Read more

> [More on Sojitz's Wood Procurement Policy Initiatives](#)

# Environmental Data

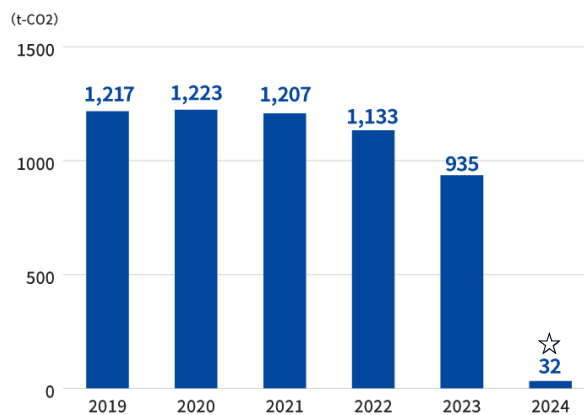
## 1. Independent Assurance Report

The figures indicated with ☆ have been subject to third-party assurance by KPMG AZSA Sustainability Co., Ltd. with respect to the figures disclosed on the Sojitz ESG BOOK "Environmental Data" webpage.

## 2. GHG

### 2-1. Sojitz Corporation's GHG Emissions

#### 1. Data and Results



(unit : t-CO<sub>2</sub>e)

|                     |                                |                       | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|---------------------|--------------------------------|-----------------------|--------|--------|--------|--------|--------|--------|
| Scope1              | energy-related CO <sub>2</sub> |                       | 14     | 25     | 28     | 24     | 25     | 22☆    |
| Scope2              | energy-related CO <sub>2</sub> | Location based method | 1,203  | 1,198  | 1,178  | 1,109  | 1,132  | 1,104☆ |
|                     |                                | Market based method   | -      | -      | -      | -      | 911    | 10☆    |
| Total Scope1+Scope2 | Location based method          |                       | 1,217  | 1,223  | 1,207  | 1,133  | 1,157  | 1,127☆ |
|                     | Market based method            |                       | -      | -      | -      | -      | 935    | 32☆    |

## 2. Boundary of Data

Sojitz Corporation: Head office, Kansai Office, and branches (Hokkaido, Tohoku and Nagoya)

## 3. CO<sub>2</sub> Emissions factors

[For electricity]

Location based method: We use the actual emission factors announced by the Electric Power Council for a Low Carbon Society (ELCS)

Market based method : We use the base emission factors of each electric power company (published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry in March 2025).

[For energy-related CO<sub>2</sub> from fuel]

Emission factors used for fuel are as specified by the Act on Promotion of Global Warming Countermeasures.

\* The reduction in emissions based on market standards is due to the use of renewable energy at the Head office from the FY2024 and at the Kansai office from the FY2023.

## 2-2. Sojitz Group's GHG Emissions

### 1. Data and Results

(unit : t-CO<sub>2</sub>e)

|                     |   |                       | FY2019    | FY2020  | FY2021  | FY2022  | FY2023  | FY2024   |
|---------------------|---|-----------------------|-----------|---------|---------|---------|---------|----------|
| Scope1              | energy-related CO <sub>2</sub>                            |                       | 979,348   | 721,934 | 721,769 | 751,233 | 577,458 | 532,203☆ |
|                     | GHG emissions other than energy-related CO <sub>2</sub> * |                       | -         | -       | -       | -       | -       | 48,701☆  |
| Scope2              | energy-related CO <sub>2</sub>                            | Location based method | 152,108   | 206,283 | 219,180 | 206,851 | 207,278 | 212,611☆ |
|                     |   | Market based method   | -         | -       | -       | -       | 204,475 | 189,852☆ |
|                     | GHG emissions other than energy-related CO <sub>2</sub> * |                       | -         | -       | -       | -       | -       | 5,827☆   |
| Total Scope1+Scope2 |   | Location based method | 1,131,456 | 928,217 | 940,948 | 958,084 | 784,736 | 799,343☆ |
|                     |   | Market based method   | -         | -       | -       | -       | 781,933 | 776,583☆ |

| Scope1 < Non energy-related CO <sub>2</sub> and GHGs other than CO <sub>2</sub> > | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|---|--------|--------|--------|--------|--------|--------|
| Non energy-related CO <sub>2</sub>  | -      | -      | -      | -      | -      | 286    |
| Methane (CH <sub>4</sub> )  | -      | -      | -      | -      | -      | 41,052 |
| Dinitrogen monoxide (N <sub>2</sub> O)  | -      | -      | -      | -      | -      | 2,557  |
| Hydrofluorocarbons (HFCs)   | -      | -      | -      | -      | -      | 4,807  |
| Perfluorocarbons (PFCs)   | -      | -      | -      | -      | -      | -      |
| Sulfur hexafluoride (SF <sub>6</sub> )  | -      | -      | -      | -      | -      | -      |
| Nitrogen trifluoride (NF <sub>3</sub> )   | -      | -      | -      | -      | -      | -      |

| Scope2 < Non energy-related CO <sub>2</sub> and GHGs other than CO <sub>2</sub> > | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|---|--------|--------|--------|--------|--------|--------|
| Non energy-related CO <sub>2</sub>  | -      | -      | -      | -      | -      | -      |
| Methane (CH <sub>4</sub> )  | -      | -      | -      | -      | -      | 364    |
| Dinitrogen monoxide (N <sub>2</sub> O)  | -      | -      | -      | -      | -      | 5,463  |

## 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach.

\* Energy-related CO<sub>2</sub> refers to carbon dioxide emitted during the combustion of fossil fuels (coal, oil, gas).

\* In addition to energy-related CO<sub>2</sub>, the following GHG emissions are also included in the calculation:

CO<sub>2</sub> : Coal production.

CH<sub>4</sub> : Fuel usage in facilities and machinery for fuel combustion and coal production.

N<sub>2</sub>O : Fuel usage in facilities and machinery for fuel combustion.

HFCs : Recovery and use of HFCs in commercial refrigeration and air conditioning equipment in the marine food products and processing businesses.

## 3. Emissions factors

Emissions are calculated with the calorific values and emission factors specified in the "Act on the Rational Use of Energy" and "Act on Promotion of Global Warming Countermeasures.

[For electricity]

- Location based method: In Japan, we use the actual emission factors announced by the Electric Power Council for a Low Carbon Society (ELCS). Overseas, we use the factors according to country, as published by the International Energy Agency (IEA).
- Market based method : We use the factors of each electric power company in principle, but if it is not available, use the emission factors based on location based method.

[For Energy-related CO<sub>2</sub> from fuel]

Emission factors used for fuel are as specified by the Act on Promotion of Global Warming Countermeasures.

[GHG emissions other than energy-related CO<sub>2</sub>]

Coal production: Emission factors set based on the emission factors published by Australia's National Greenhouse and Energy Reporting (NGER) scheme and gas test measurement data are used.

Fuel usage in facilities and machinery for fuel combustion: the emission factors stipulated in the Act on Promotion of Global Warming Countermeasures are used, and for calculating fuel usage in heavy machinery at coal mines, emission factors from the United States Environmental Protection Agency (EPA) are used.

Recovery and use of HFCs in commercial refrigeration and air conditioning equipment in the marine food products and processing businesses: the emission factors stipulated in the Act on Rational Use and Appropriate Management of Fluorocarbons (Fluorocarbon Emission Control Law) are used.

\* In the FY2023, we revised the boundary of the data collection and restated figures for the FY2019 to 2022.

## Read more

> [Goals and Targets](#)

### 2-2-1. Sojitz Group's GHG Emissions - Changes in Output

(unit : t-CO<sub>2</sub>e per person)

| FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|--------|
| 59.6   | 46.9   | 44.5   | 45.3   | 34.3   | 30.9   |

(GHG emissions by Sojitz Group companies worldwide, including Sojitz Corporation, divided by the number of employees belonging to consolidated subsidiaries worldwide)

### 2-3. Sojitz Group's CO<sub>2</sub> Scope3 Emissions

(unit: 10,000 t-CO<sub>2</sub>e)

| Category |    |  | FY2024                   |
|----------|----|--|--------------------------|
| Scope 3  | 1  | Purchased goods and services   | 2,132                    |
|          | 2  | Capital goods  | 2                        |
|          | 3  | Fuel- and energy-related activities (not included in Scope1 or Scope2) | 13                       |
|          | 4  | Upstream transportation and distribution                               | 860                      |
|          | 5  | Waste generated in operations  | 1                        |
|          | 6  | Business travel  | 0                        |
|          | 7  | Employee commuting   | 0                        |
|          | 8  | Upstream leased assets   | 0                        |
|          | 9  | Downstream transportation and distribution                             | (included in Category 4) |
|          | 10 | Processing of sold products  | 68                       |
|          | 11 | Use of sold products   | 2,973                    |
|          | 12 | End-of-life treatment of sold products                                 | 938                      |
|          | 13 | Downstream leased assets   | 0                        |
|          | 14 | Franchises   | 0                        |
|          | 15 | Investments  | 349                      |
| Total    |    |  | 7,336                    |

- \* Sojitz performs calculations for Scope3 emissions using methodologies and assumptions set by the company. Figures include both third-party verified and unverified emissions.
- \* Scope3 emissions are measured for Sojitz Corporation, major consolidated subsidiaries (domestic and overseas) and unincorporated joint ventures subject to reporting emissions under the operational control approach.
- \* Clear instances of double counting (the same emission source reported by multiple companies within the data scope) have been excluded from the calculations.
- \* Instances in which Sojitz cannot identify the final products made using intermediate products sold by a Group company have been excluded from the calculations for category 10.
- \* Products that directly emit GHG when in use (such as automobiles and machinery) have been included in the calculations for category 11.
- \* Sojitz performs its calculations using the emission factors specified in the "Policy on Emission Unit Values for Accounting of Greenhouse Gas Emissions by Organizations Throughout the Supply Chain", the "Act on Promotion of Global Warming Countermeasures" published by the Ministry of the Environment and Ministry of Economy, Trade and Industry, as well as emission factors published by other industry organizations.

## 2-4. GHG emissions for supply chains in the power sector (Scope1, Scope2, and Scope3)

### 1. Data and Results (FY2024)

#### Thermal coal

| Scope        |              | Emission volumes (t-CO <sub>2</sub> e)                                 | Calculation methods / Other |   |
|--------------|--------------|--|-----------------------------|---|
| Scope1 and 2 |              | 65,130   |                             |   |
|              | category (*) |  |                             |   |
| Scope3       | 1            | Purchased goods and services   | 619,508                     | Calculated by multiplying the production of thermal coal traded by Sojitz by an emissions factor.   |
|              | 2            | Capital goods  | 70                          | Calculated by multiplying the capital investment by an emissions factor.  |
|              | 3            | Fuel- and energy-related activities (not included in scope1 or scope2) | 3,347                       | Calculated by multiplying the fuel and electricity consumption by emissions factors.  |
|              | 4            | Upstream transportation and distribution                               | 146,389                     | Calculated by multiplying the sold thermal coal traded by Sojitz (including that from the mines in which Sojitz holds equity interests) by transportation distance and emissions factors, or by multiplying fuel consumption by emissions factors. Transportation distance is calculated up until the trader in the case where the sales destination is a trader and Sojitz is unable to ascertain the destination beyond them. |
|              | 5            | Waste generated in operations  | 16                          | Calculated by multiplying the waste generated in operations by an emissions factor.   |
|              | 6            | Business travel  | -                           | -   |
|              | 7            | Employee commuting   | -                           | -   |

|                        |       |  |            |   |
|------------------------|-------|--|------------|---|
| Scope3                 | 8     | Upstream leased assets                     | -          | Not applicable based on the specific attributes of the business                     |
|                        | 9     | Downstream transportation and distribution | -          | -   |
|                        | 10    | Processing of sold products                | -          | Not applicable based on the specific attributes of the business                     |
|                        | 11    | Use of sold products                       | 11,813,899 | Calculated by multiplying the thermal coal traded by Sojitz by an emissions factor. |
|                        | 12    | End-of-life treatment of sold products     | -          | Not applicable based on the specific attributes of the business                     |
|                        | 13    | Downstream leased assets                   | -          | Not applicable based on the specific attributes of the business                     |
|                        | 14    | Franchises                                 | -          | Not applicable based on the specific attributes of the business                     |
|                        | 15    | Investments                                | -          |   |
|                        | Total |  | 12,583,228 |   |
| Total for supply chain |       | 12,648,357☆                                |            |   |

\* Supply chain categories are in accordance with established GHG protocol

#### Oil & Gas

| Scope        |              | Emission volumes (t-CO <sub>2</sub> e)                                 | Calculation methods / Other |  |
|--------------|--------------|--|-----------------------------|--|
| Scope1 and 2 |              | 14,682   |                             |  |
|              | category (*) |  |                             |  |
| Scope3       | 1            | Purchased goods and services   | -                           | Not applicable based on the specific attributes of the business  |
|              | 2            | Capital goods  | -                           | -  |
|              | 3            | Fuel- and energy-related activities (not included in scope1 or scope2) | 2,364                       | Calculated by multiplying the fuel and electricity consumption of the consolidated subsidiaries operating power plants by emissions factors. |
|              | 4            | Upstream transportation and distribution                               | -                           | Not applicable based on the specific attributes of the business  |
|              | 5            | Waste generated in operations  | -                           | -  |
|              | 6            | Business travel  | -                           | -  |
|              | 7            | Employee commuting   | -                           | -  |

|                        |    |  |           |   |
|------------------------|----|--|-----------|---|
| Scope3                 | 8  | Upstream leased assets                     | -         | Not applicable based on the specific attributes of the business   |
|                        | 9  | Downstream transportation and distribution | -         | Not applicable based on the specific attributes of the business   |
|                        | 10 | Processing of sold products                | -         | Not applicable based on the specific attributes of the business   |
|                        | 11 | Use of sold products                       | -         | Not applicable based on the specific attributes of the business   |
|                        | 12 | End-of-life treatment of sold products     | -         | Not applicable based on the specific attributes of the business   |
|                        | 13 | Downstream leased assets                   | -         | Not applicable based on the specific attributes of the business   |
|                        | 14 | Franchises                                 | -         | Not applicable based on the specific attributes of the business   |
|                        | 15 | Investments                                | 1,454,981 | The sum of the emissions from the power plants of the companies in which Sojitz holds equity interest, calculated by multiplying the fuel and electricity consumption by emission factors, and the emissions calculated by multiplying the production of oil and gas by emission factors. |
|                        |    | Total                                      | 1,457,345 |   |
| Total for supply chain |    | 1,472,027☆                                 |           |   |

\* Supply chain categories are in accordance with established GHG protocol

## 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach.

Power sector supply chain (Sojitz Group's supply chain related to thermal coal interests, thermal coal sales, and oil and gas power generation-related businesses)

In order to assess risks related to decarbonization, Sojitz conducts analysis of GHG emissions for the entire supply chain (Scope1, Scope2, and Scope3). We prioritize refining our quantitative data in the power sector as it accounts for high GHG emissions and has a large-scale impact on our business.

## 3. CO<sub>2</sub> Emissions factors

Calculated with the emission factors specified in the "Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain," and "Act on Promotion of Global Warming Countermeasures" published by the Ministry of Economy, Trade, and Industry and the Ministry of the Environment.

## 2-5. GHG emissions for supply chains in the steel sector (Scope1, Scope2, and Scope3)

### 1. Data and Results (FY2024)

Coking coal

| Scope                  |    | Emission volumes (t-CO <sub>2</sub> e)                                 | Calculation methods / Other |  |
|------------------------|----|--|-----------------------------|--|
| Scope1 and 2           |    | 62,331   |                             |  |
| category (*)           |    |  |                             |  |
| Scope3                 | 1  | Purchased goods and services   | 75,894                      | Calculated by multiplying the production of coking coal traded by Sojitz by an emissions factor.   |
|                        | 2  | Capital goods  | 10,171                      | Calculated by multiplying the capital investment by an emissions factor.   |
|                        | 3  | Fuel- and energy-related activities (not included in scope1 or scope2) | 10,183                      | Calculated by multiplying the fuel and electricity consumption by emissions factors.   |
|                        | 4  | Upstream transportation and distribution                               | 43,770                      | Calculated by multiplying the sold coking coal traded by Sojitz (including that from the mines in which Sojitz holds equity interests) by transportation distance and emissions factors, or by multiplying fuel consumption by emissions factors. Transportation distance is calculated up until the trader in the case where the sales destination is a trader and Sojitz is unable to ascertain the destination beyond them. |
|                        | 5  | Waste generated in operations  | 134                         | Calculated by multiplying the waste generated in operations by an emissions factor.  |
|                        | 6  | Business travel  | -                           | -  |
|                        | 7  | Employee commuting   | -                           | -  |
|                        | 8  | Upstream leased assets   | -                           | Not applicable based on the specific attributes of the business  |
|                        | 9  | Downstream transportation and distribution                             | -                           | -  |
|                        | 10 | Processing of sold products  | -                           | Not applicable based on the specific attributes of the business  |
|                        | 11 | Use of sold products   | 5,171,041                   | Calculated by multiplying the coking coal traded by Sojitz by an emissions factor.   |
|                        | 12 | End-of-life treatment of sold products                                 | -                           | Not applicable based on the specific attributes of the business  |
|                        | 13 | Downstream leased assets   | -                           | Not applicable based on the specific attributes of the business  |
|                        | 14 | Franchises   | -                           | Not applicable based on the specific attributes of the business  |
|                        | 15 | Investments  | 293,191                     | Scope1 and Scope2 emissions of the coal mines in which Sojitz holds equity interest.   |
| Total                  |    | 5,604,384  |                             |  |
| Total for supply chain |    | 5,666,715☆   |                             |  |

\* Supply chain categories are in accordance with established GHG protocol

## 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach.

Steel making sector supply chain (Sojitz Group's supply chain related to coking coal interests and coking coal sales)

In order to assess risks related to decarbonization, Sojitz conducts analysis of GHG emissions for the entire supply chain (Scope1, Scope2, and Scope3). We prioritize refining our quantitative data in the sector as it accounts for high GHG emissions and has a large-scale impact on our business.

## 3. GHG Emissions factors

Calculated with the emission factors specified in the "Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain," and "Act on Promotion of Global Warming Countermeasures" published by the Ministry of Economy, Trade, and Industry and the Ministry of the Environment.

# 2-6. Sojitz Corporation's Scope3 Emissions

## 2-6-1. Logistics-related CO<sub>2</sub> Emissions

### 1. Data and Results

See the graph below to view Sojitz Corporation's freight transport-related CO<sub>2</sub> emissions in Japan, where Sojitz Corporation is classified as the owner of the goods according to the Energy Conservation Law.

(unit : t-CO<sub>2</sub>e)

| FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|--------|
| 8,918  | 9,847  | 10,828 | 8,980  | 8,718  | 5,208  |

### 2. Initiatives

Energy reduction initiatives include modal shifts, selecting the most appropriate type of vehicle, and strategically selecting transportation routes.

## 2-6-2. CO<sub>2</sub> emissions resulting from overseas business trips

### 1. Data and Results

(unit : t-CO<sub>2</sub>e)

| FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|--------|
| 2,828  | 33     | 178    | 1,266  | 1,718  | 1,913  |

## 2. Boundary of Data

Refers to flights to/from Japan taken by Sojitz Corporation employees. We have divided business trip destinations into six areas and selected a major airport from each area to use in determining distances for the calculation of passenger kilometer data.

### 3. CO<sub>2</sub> Emissions factors

Calculated with the emission factors specified in the "Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain," published by the Ministry of Economy, Trade, and Industry and the Ministry of the Environment.

#### 2-6-3. CO<sub>2</sub> emissions resulting from commuting

##### 1. Data and Results

(unit : t-CO<sub>2</sub>e)

| FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|--------|
| 472    | 722    | 756    | 702    | 743    | 814    |

##### 2. Boundary of Data

Emissions from trains and buses used by Sojitz Corporation employees.

##### 3. CO<sub>2</sub> Emissions factors

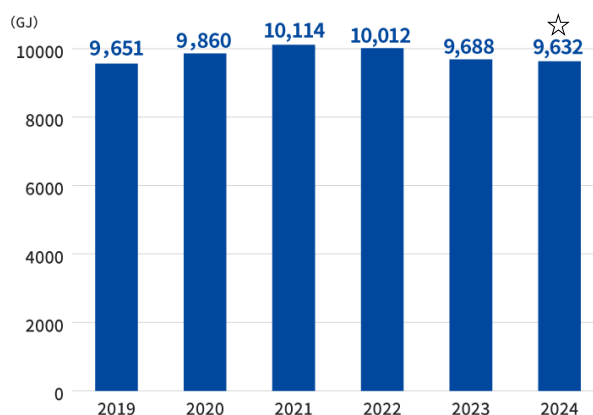
Calculated with the emission factors specified in the "Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain," published by the Ministry of Economy, Trade, and Industry and the Ministry of the Environment.

(CO<sub>2</sub> emissions by Sojitz Group companies worldwide, including Sojitz Corporation, divided by the number of employees belonging to consolidated subsidiaries worldwide)

## 3. Energy

### 3-1. Sojitz Corporation's Energy Consumption (Calorific value)

##### 1. Data and Results



## 2. Boundary of Data

Sojitz Corporation: Head office, Kansai Office, and branches (Hokkaido, Tohoku and Nagoya)

In FY2024, the unit calorific conversion factors were revised, and figures for FY2019 to 2023 were restated.

## 3-2. Sojitz Group's Energy Usage (Calorific value)

### 1. Data and Results

(unit : GJ)

|                                | FY2019     | FY2020     | FY2021     | FY2022     | FY2023     | FY2024      |
|--------------------------------|------------|------------|------------|------------|------------|-------------|
| Energy Usage (Calorific value) | 18,203,338 | 14,137,265 | 14,961,181 | 15,372,013 | 12,644,834 | 12,059,075☆ |

### 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

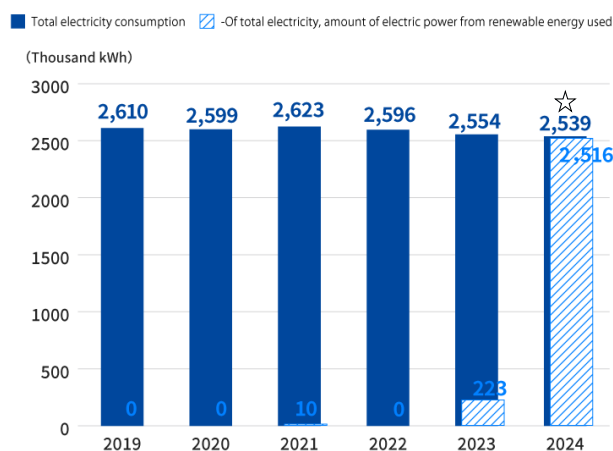
In FY2023, the boundary of the data collection was revised, and figures for FY2019 to 2022 were restated.

In FY2024, calorific conversion factors and the energy scope were revised, and figures for FY2019 to 2023 were restated.

## 4. Electricity

### 4-1. Sojitz Corporation's Electricity Consumption and GHG Emissions

#### 1. Data and Results



(unit : thousand kWh)

|  | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--|--------|--------|--------|--------|--------|--------|
| Total electricity consumption  | 2,610  | 2,599  | 2,623  | 2,596  | 2,554  | 2,539☆ |
| -Of total electricity, amount of electric power from renewable energy used | 0      | 0      | 10     | 0      | 223    | 2,516  |
| -generated internally utilizing renewable resources                        | 0      | 0      | 0      | 0      | 0      | 0      |
| -purchased renewable energy electricity amounts                            | 0      | 0      | 0      | 0      | 223    | 227    |
| -purchased non-fossil fuel certificates                                    | 0      | 0      | 10     | 0      | 0      | 2,289  |

## 2. Boundary of Data

Sojitz Corporation: Head office, Kansai Office, and branches (Hokkaido, Tohoku and Nagoya)

From FY2024, our Head office has been using renewable energy. Similarly, our Kansai Office has been using renewable energy since the FY2023.

## 4-2. Sojitz Group's Electricity Consumption

### 1. Data and Results

(unit : thousand kWh)

|  | FY2019  | FY2020  | FY2021  | FY2022  | FY2023  | FY2024   |
|--|---------|---------|---------|---------|---------|----------|
| Total electricity consumption  | 220,930 | 263,805 | 266,035 | 295,834 | 311,811 | 340,747☆ |
| -Of total electricity, amount of electric power from renewable energy used | 162     | 210     | 760     | 3,015   | 8,929   | 45,419   |
| -generated internally utilizing renewable resources                        | 0       | 4       | 70      | 1,582   | 3,290   | 4,215    |
| -purchased renewable energy electricity amounts                            | 162     | 206     | 680     | 1,433   | 5,639   | 38,914   |
| -purchased non-fossil fuel certificates                                    | 0       | 0       | 10      | 0       | 0       | 2,289    |

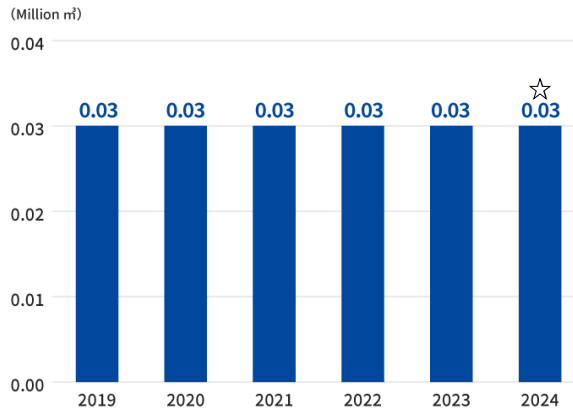
## 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach.

## 5. Water Consumption

### 5-1. Sojitz Corporation's Water Usage

#### 1. Data and Results



\* Water usage for the Tokyo head office and Kansai Office was calculated using an estimate based on the number of employees in each office.

#### 2. Boundary of Data

Sojitz Corporation: Head office, Kansai Office excluding branches (Hokkaido, Tohoku and Nagoya).

### 5-2. Sojitz Group's Water Usage

#### 5-2-1. Sojitz Group's Water Usage

#### 1. Data and Results

(unit : million m<sup>3</sup>)

|                          | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------------------------|--------|--------|--------|--------|--------|--------|
| Water Usage (freshwater) | 4.77   | 5.03   | 4.50   | 4.97   | 5.36   | 5.64☆  |

#### 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

## 5-2-2. Water withdrawal by source

### 1. Data and Results

(unit : m<sup>3</sup>)

|                             | FY2019      | FY2020      | FY2021      | FY2022      | FY2023      | FY2024      |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Tap water, industrial water | 3,020,934   | 3,351,857   | 2,971,193   | 3,318,064   | 3,718,103   | 3,602,270   |
| Groundwater                 | 521,059     | 456,654     | 462,202     | 472,977     | 438,276     | 515,803     |
| River water                 | 1,220,977   | 1,213,895   | 1,068,290   | 1,176,457   | 1,198,352   | 1,516,756   |
| Rainwater                   | 4,048       | 3,360       | 2,847       | 2,600       | 3,220       | 4,783       |
| Freshwater total            | 4,767,018   | 5,025,766   | 4,504,531   | 4,970,099   | 5,357,952   | 5,639,613   |
| Seawater                    | 178,401,225 | 151,920,000 | 174,576,000 | 175,332,600 | 175,918,572 | 189,036,097 |
| Total (including seawater)  | 183,168,243 | 156,945,766 | 179,080,531 | 180,302,699 | 181,276,524 | 194,675,710 |

### 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

## 5-2-3. Amount of wastewater discharged according to discharge site

### 1. Data and Results

(unit : m<sup>3</sup>)

|                           | FY2019      | FY2020      | FY2021      | FY2022      | FY2023      | FY2024      |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| River                     | 2,741,447   | 2,827,894   | 2,679,339   | 2,942,748   | 2,844,998   | 2,730,143   |
| Sewer                     | 245,527     | 166,796     | 773,007     | 672,474     | 311,352     | 353,213     |
| Underground seepage       | 6,589       | 5,898       | 5,879       | 15,951      | 108,794     | 17,814      |
| Other                     | 112,954     | 68,323      | 33,471      | 66,065      | 140,537     | 244,339     |
| Freshwater total          | 3,106,517   | 3,068,911   | 3,491,696   | 3,697,238   | 3,405,681   | 3,345,509   |
| Ocean                     | 177,677,695 | 151,275,080 | 173,784,135 | 174,651,748 | 175,201,281 | 188,322,693 |
| Total(including seawater) | 180,784,212 | 154,343,992 | 177,275,831 | 178,348,986 | 178,606,962 | 191,668,203 |

### 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

## 5-2-4. Recycle Rate for Water Used

### 1. Data and Results

| FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|--------|
| 9%     | 8%     | 3%     | 1%     | 1%     | 1%     |

(Amount of water recycled divided by total usage)

### 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

## 5-2-5. COD and BOD Amounts

### 1. Data and Results

(unit : t)

|     | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|-----|--------|--------|--------|--------|--------|--------|
| COD | 3,421  | 2,796  | 601    | 551    | 500    | 662    |
| BOD | 3,345  | 2,694  | 427    | 441    | 403    | 497    |

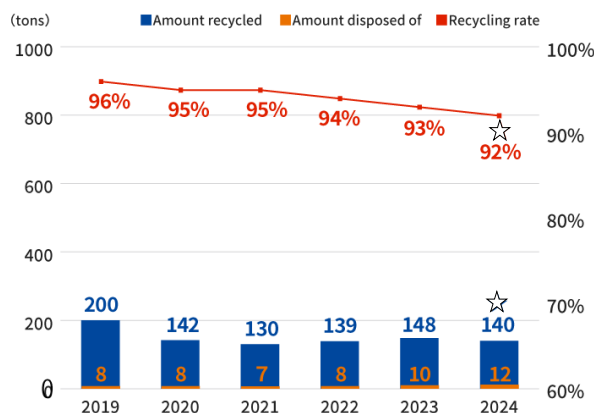
### 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

# 6. Waste Discharge

## 6-1. Sojitz Corporation's Waste Discharge and Recycling Rates

### 1. Data and Results



## 2. Boundary of Data

Sojitz Corporation: Head office, Kansai Office, excluding branches (Hokkaido, Tohoku and Nagoya)

## 3. Target Recycling Rate

Office recycling target: Maintain a recycling rate of 90% for office waste.

## 4. Hazardous waste

(unit : t)

|                  | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|------------------|--------|--------|--------|--------|--------|--------|
| Hazardous waste* | 0.02   | 0.02   | 0.13   | 0.03   | 0.02   | 0.03   |

\* The total amount of specially controlled industrial waste generated by Sojitz Corporation.

## 6-2. Sojitz Group's Waste Discharge

### 1. Data and Results

(unit : t)

|                      | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024  |
|----------------------|--------|--------|--------|--------|--------|---------|
| Waste Discharge      | 60,485 | 67,711 | 62,769 | 67,103 | 76,829 | 76,785☆ |
| – Amount recycled    | 8,281  | 7,100  | 18,000 | 32,939 | 15,736 | 10,851  |
| – Amount disposed of | 52,203 | 60,611 | 44,768 | 34,163 | 61,093 | 67,935  |

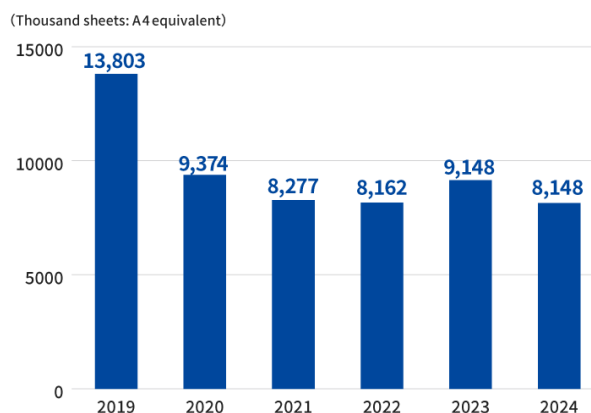
## 2. Boundary of Data

Sojitz Corporation, all domestic and overseas consolidated subsidiaries, and unincorporated joint ventures subject to reporting under the operational control approach

# 7. Paper Consumption

## 7-1. Sojitz Corporation's Paper Usage

### 1. Data and Results



## 2. Boundary of Data

Sojitz Corporation: Head office, Kansai Office

# 8. Other Environmental Data

## 8-1. Sojitz Group's NOx, SOx and VOC Emissions

(unit : t)

|                                  | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|----------------------------------|--------|--------|--------|--------|--------|--------|
| NOX (Nitrogen Oxides)            | 2,632  | 1,704  | 2,255  | 2,516  | 1,656  | 1,348  |
| SOX (Sulfur Oxides)              | 408    | 593    | 358    | 717    | 518    | 152    |
| VOC (Volatile Organic Compounds) | 127    | 138    | 210    | 195    | 195    | 180    |

# Social

- [Human Rights](#)
- [Community](#)
- [Responsibility to Our Customers](#)
- [Diversity Management](#)
- [Labor Practices](#)
- [Health and Safety](#)
- [Human Resource Management](#)
- [Social Data](#)

# Human Rights

## 1. Policy and Basic Approach

### 1-1. Overview of Sojitz Human Rights Initiatives

Sojitz established the Sojitz Group Human Rights Policy in 2017.

In Medium-term Management Plan 2020 (FY2018–FY2020), we outlined the company's approach to risk evaluation and incorporated our basic approach for high-risk business areas, and in the following Medium-term Management Plan 2023 (FY2021–FY2023), we advanced PDCA efforts in high-risk business areas. Under the current Medium-term Management Plan 2026 (FY2024–FY2026), we will strengthen our risk evaluation efforts and ensure thorough respect for human rights as our business domains continue to expand.

### 1-2. Sojitz Group Human Rights Policy

#### 1-2-1. Our Commitment To Respect Human Rights

The Sojitz Group strives to create value and prosperity by connecting the world with a spirit of integrity. We believe that respect for human rights is an integral foundation for creating what we call "Two Types of Value" —value for both our company and society — and for meeting the expectations of our stakeholders.

As a general trading company, the Sojitz Group buys, sells, and trades goods from all over the world, provides manufacturing and sales services for a wide range of products, plans and coordinates various projects, invests in a multitude of business fields and conducts financial activities. In undertaking these business activities, we recognize our responsibility to avoid causing or contributing to adverse human rights impacts and to seek to prevent or mitigate adverse impacts to which we are directly linked.

We commit to respecting human rights as set out in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and to carry out our business in accordance with the United Nations Guiding Principles on Business and Human Rights.

#### 1-2-2. Our People

The Sojitz Group - in accordance with international human rights standards as well as its Group Statement - is committed to promoting, among the executives, staff and employees of Sojitz Group, the prohibition of discrimination, respect for diversity (including with respect to race, nationality, ethnic origin, beliefs, gender, social status, religion, age, mental and physical disability, and sexual orientation), as well as responsible labor practices including prohibition of child or forced labor, prevention of corruption, provision of a safe labor environment, payment of minimum wage and ensuring appropriate working hours. The Group supports freedom of association and the right to collective bargaining.

### 1-2-3. Conducting Human Rights Due Diligence

The Sojitz Group is committed to assessing actual and potential adverse impacts on the human rights of our stakeholders in accordance with the United Nations Guiding Principles on Business and Human Rights. We will strive to prevent, mitigate and account for adverse impacts. Where it is necessary to prioritize our actions, we will prioritize action to address the most salient potential risks to our stakeholders.

The Sojitz Group shall comply with local laws and regulations in conducting its business activities. Where laws or regulations in a country conflict with international human rights norms, the Group will seek ways to honor international human rights standards. In making decisions on responses to be taken, we will seek opinions from credible third parties.

The Sojitz Group recognizes the importance of dialogue with our employees, workers and external stakeholders who are or could potentially be affected by our actions, and we are committed to engaging in such dialogue with stakeholders on human rights issues related to our business.

### 1-2-4. Specific Issues

**Indigenous Peoples:** When undertaking business activities in areas in which indigenous peoples reside, the Sojitz Group will acknowledge the unique culture and history of indigenous peoples and show consideration for their rights as set out in both local and national laws as well as in international standards such as the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention No. 169.

**Employment of Security Companies:** To avoid complicity in human rights abuses committed by security providers, the Sojitz Group supports the Voluntary Principles on Security and Human Rights (VPSHR), which guide companies in how to operate within a framework that ensures respect for human rights and fundamental freedoms.

### 1-2-5. Our Business Partners

The business activities of the Sojitz Group are possible due to the cooperation of various stakeholders including suppliers and other business partners. For the Group to meet our responsibility to respect human rights, their understanding and cooperation are indispensable. The Sojitz Group is committed to working with and encouraging our business partners to uphold the principles in this Policy.

In the event that we identify an alleged human rights abuse outside of the Sojitz Group but linked to our business activities, including in our suppliers and other business partners, upon confirming the situation the Group will ask relevant parties such as suppliers and other business partners to take measures to address the human rights issues.



\* For further information on our expectations of our suppliers and other business partners, including our policy concerning cases of material breach, see our Sojitz Group CSR Action Guidelines for Supply Chains.

#### Read more

> [Sojitz Group CSR Action Guidelines for Supply Chains](#)

## 1-3. Materiality (Key Sustainability Issues)

Sojitz has chosen “respecting the human rights of people involved in its businesses” as one of its Materiality (Key Sustainability Issues) and has established a set of common standards in accordance with international human rights standards for use at all Sojitz Group companies. Sojitz ensures that its employees are educated on human rights issues and has declared its commitment to maintaining respect for human rights throughout its supply chains, including with its business partners.

| Theme  | Details  | SDGs  |
|--|--|---|
|  <p>Respect the human rights of people involved in our businesses</p> | <p>Sojitz respects the human rights of people involved in its businesses. This applies not only to Sojitz employees, but also to everyone affected by its businesses throughout its supply chains. Should there be any instances of child labor or forced labor, Sojitz will rectify them.</p> |  |

## 1-4. Respect for International Standards

### 1-4-1. International Bill of Human Rights

#### International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work

#### UN Guiding Principles on Business and Human Rights

The Sojitz Group Human Rights Policy detailed above recognizes all human rights set out in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and Sojitz is committed to conducting its business activities in accordance with the UN Guiding Principles on Business and Human Rights.

### 1-4-2. The Ten Principles of the UN Global Compact

The United Nations Global Compact was advocated by former UN Secretary General Kofi Annan at the World Economic Forum in Davos on January 31, 1999. Sojitz and other companies that sign the UN Global Compact endorse ten principles in four areas (Human Rights, Labour, Environment, and Anti-Corruption) and continually work to promote them. The Sojitz Group CSR Action Guidelines for Supply Chains is based on these principles and other international standards.

| The Ten Principles of the UN Global Compact |  |
|---|--|
| Human Rights                                | Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.   |
| Labour                                      | Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation. |
| Environment                                 | Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.  |
| Anti-Corruption                             | Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.   |

#### Read more

> [Sojitz's participation in the UN Global Compact](#)

## 1-5. Related Policies

### Read more

- > [Sojitz Group Code of Conduct and Ethics](#)
- > [Sojitz Group CSR Action Guidelines for Supply Chains](#)
- > [Sojitz Group Anti-Corruption Rules](#)
- > [Wood Procurement Policy](#)
- > [Palm Oil Procurement Policy](#)
- > [Mineral Procurement Policy](#)
- > [Marine Products Procurement Policy](#)

## 2. Systems

Systems for Enacting Corporate Sustainability

## 3. Initiatives

The Sojitz Group promotes its initiatives in accordance with the UN Guiding Principles on Business and Human Rights while referencing the International Bill of Human Rights and the OECD Guidelines for Multinational Enterprises. In implementing these measures, we engage in dialogue with stakeholders and follow a process that includes the establishment and sharing of policies, risk assessments, improvements and remedy measures, and disclosure of results. The content of each process is reviewed and improved on a regular basis, taking into account factors such as external trends and the internal environment. In addition, we promptly take corrective action if areas for improvement are identified through risk assessment or grievance mechanisms.



### 3-1. Establishment and Sharing of Policies

The Sojitz Group Human Rights Policy and The Sojitz Group CSR Action Guidelines for Supply Chains have been established based on the Ten Principles of the United Nations Global Compact. We share these guidelines with Group companies and our business partners and ask for their understanding and compliance with all policies.

### 3-1-1. Raising Employee Awareness

Ensuring respect for human rights across the supply chain requires the awareness and understanding of frontline employees. Based on this recognition, we request that Group companies submit documentation to confirm that they are effectively promoting understanding regarding human rights and raising awareness among frontline employees.

In addition, the Investor Relations & Corporate Sustainability Dept. (Sustainability Committee Secretariat) practices direct communication with management from Group companies in order to verify the extent to which policies and initiatives have been communicated throughout the company in question, confirm the status of on-site measures, and gather feedback to promote greater levels of awareness and understanding regarding respect for human rights.



### 3-1-2. Dialogue with Sojitz Group Companies

#### Dialogue with the management of consolidated subsidiaries

In an effort to raise awareness of Sojitz Group policies and of relevant issues facing Sojitz Group, Sojitz holds dialogues with the management teams of its consolidated subsidiaries on an ongoing basis.

In FY2021, Sojitz President and CEO sent a message to the presidents of all Sojitz Group consolidated subsidiaries emphasizing the importance of consideration for human rights and requesting their compliance with Sojitz Group policies. The presidents of the consolidated subsidiaries endorsed the message and pledged to uphold Sojitz Group policies. Sojitz held one-on-one meetings with the management teams at 28 consolidated subsidiaries identified as operating in high-risk business areas\* to discuss human rights risk-related trends and incidents. Sojitz used each meeting as an opportunity to share knowledge on the relevant risks found in each business area. Sojitz also had seminar-style dialogues with management teams at consolidated subsidiaries not identified to be operating in high-risk business areas. The seminars were an opportunity for consolidated subsidiaries leaders to review Sojitz Group's policies, share information regarding risk-related trends and incidents, and raise awareness throughout Sojitz Group.

In FY2023, Sojitz held one-on-one meetings with the management teams of 36 companies, including large-scale and newly added Group consolidated subsidiaries and their associated companies. Sojitz also facilitated seminar-style dialogues with the management teams of other consolidated subsidiaries to share the latest trends and cases of human rights risks, and to exchange information on each company's issues and responses.

(\* Refer to the Risk Evaluation section to learn about high-risk business areas)

#### Confirming the status of Group companies' on-site initiatives through inspection

Sojitz Group conducts on-site inspections of its suppliers and business partners to ascertain the status of specific risk reduction initiatives in the workplace and to communicate with those partners regarding necessary improvements.

In June 2018, Sojitz's Corporate Sustainability Office visited Kyodo Sojitz Feed Co., Ltd. ("KSF") in Vietnam, together with an outside specialist. KSF is a consolidated subsidiary which mainly produces and sells feed for raising pigs and chickens. Demand for meat in Vietnam is expected to continue to rise, and KSF is one of the companies contributing to the stable supply of reliable and safe food resources in the country.

The two-day, on-site inspection included discussions on sustainability with the company's management, and regarding the six focus areas\* put forth in the Sojitz Group CSR Action Guidelines for Supply Chains, we were able to confirm the availability of various documentation, as well as initiatives at factories and facilities on company grounds.



KSF received an overall high rating from the outside specialist, including for its good labor management and preparation of documentation, and management quality improvement initiatives through acquisition of the GLOBALG.A.P. Certification, which certifies the environmental, social, and economic sustainability of an agricultural production business. However, the inspection resulted in the finding of a potential human rights risk in the category of "Safety and Sanitation in the Workplace" in one area of the factory. We shared this feedback in the post-inspection summary with management and prioritized making improvements in this area.

| Focus Area (※)                                       | Results of Inspection                                |
|--|--|
| Human Rights and Labor                               | Minor findings                                       |
| Safety and Sanitation in the Workplace               | Determined areas under consideration for improvement |
| Environmental Conservation                           | Minor findings                                       |
| Anti-Corruption Measures and Fair Trade              | No issues  |
| Quality and Safety Control for Products and Services | No issues  |
| Disclosure of Information                            | No issues  |



## Sojitz Group Practices regarding Foreign Technical Interns

(Basic approach)

We uphold the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the company promotes respect for human rights in accordance with the United Nations Guiding Principles on Business and Human Rights.

In Japan, there have been cases in which Foreign Technical Interns face labor and human rights issues, such as low pay, non-payment of wages, lengthy working hours, as well as physical and verbal abuse. The U.S. State Department's 2023 anti-human trafficking report stated that cases of labor trafficking continue within Japan's Technical Intern Training Program. As technical interns hail from different nationalities and are linguistically and culturally different to Japanese employees, these workers are often in socially vulnerable positions where they can easily be exploited. Sojitz Group is therefore committed to paying special attention to ensure that technical interns' rights are protected.

(Initiatives)

In order to ascertain the working conditions of Foreign Technical Interns at Sojitz Group, all Group companies accepting technical interns have been required since 2022 to carry out annual fact-finding surveys to verify that there are no discrepancies between Group practices and relevant labor laws and regulations, while implementing advice from third-party consultants.

Sojitz's Tokyo HQ also visits Group companies to check technical interns' workplaces, hold discussions with management and technical interns at Group companies, assess living and working conditions for technical interns, and confirm that technical interns are not struggling with any issues.

In addition to protecting the rights of technical interns, Group companies accepting technical interns also promote seamless communication with technical interns through activities such as providing opportunities for technical interns to study Japanese and holding trips or recreational events.

To increase awareness of Japan's Technical Intern Training Program at Sojitz, we hold Group-wide information sessions, seminars with external experts on human rights, and open discussions on the topic of accepting technical interns.

Sojitz Group operates with the belief that understanding and implementing appropriate human rights practices at each of its business sites is vital to uphold respect for human rights across our supply chains. Across all Group companies, we consistently hold in-person dialogues with Group company management, provide e-learnings to employees, and host interviews with business divisions and Group companies active in business areas posing high human rights-related risks.

Sojitz Group leverages these opportunities to spread Group-wide understanding of society's most vulnerable populations whose rights require special attention, including foreign residents (technical interns), women, people with disabilities, and Indigenous people. As Japan's Technical Intern Training Program will be reformed, we will continue to host dialogues and check in with Group companies and verify responses that need to be made in line with the new system.

### 3-1-3. Seminars on Human Rights Risk

Sojitz Group conducts internal seminars on the topic of business and human rights. In 2025, we invited Emi Omura, a lawyer specializing in human rights, to hold a seminar for Sojitz COOs titled "Management Challenges and Solutions Regarding Business and Human Rights." Fifteen COOs from Sojitz business divisions and corporate organizations participated in the seminar.



To begin the seminar, Sojitz President Kosuke Uemura gave opening remarks on the importance of prioritizing human rights in supply chains. Ms. Omura then gave a lecture covering the following topics:

- Types of human rights and human rights risk management
- Key considerations for high-risk business areas
- Human rights issues for supply chain partners and potential impacts on Japanese companies
- Establishment and operation of grievance mechanisms
- Initiatives by other companies and regulatory trends

To ensure understanding and implementation across the entire Group, a video recording of the seminar was made available to Sojitz Group employees.

### 3-1-4. e-Learning

In order to foster understanding of sustainability within Sojitz Group, we regularly conduct e-learning on changes in social trends related to sustainability and the response to environmental and human rights issues required of companies today.

In light of the Australian Modern Slavery Act which was put into law in January 2019 and the UK Modern Slavery Act which was amended in March 2020, we conducted an e-learning at target Australian and European operating companies in FY2020 about the Sojitz Group CSR Action Guidelines for Supply Chains in order to promote understanding and familiarity with local laws and regulations at overseas bases. The CSR Action Guidelines for Supply Chains define Sojitz Group's approach to environmental and social issues within our supply chains and human rights issues such as modern slavery.

In FY2022, we conducted an e-learning on "Managing Human Rights Risks in Supply Chains" for employees (including seconded employees) at Sojitz Corporation to foster an understanding of the external environment and the Group's policies and initiatives. In FY2023, we conducted an e-learning with the same content for employees of all Sojitz Group companies, as well as overseas subsidiaries and overseas branches.

Sojitz will continue to conduct e-learning on addressing environmental and human rights issues for further advance understanding.

### 3-1-5. Sojitz Group Sustainable Supply Chain Handbook

Provided mainly to suppliers, the Sojitz Group Sustainable Supply Chain Handbook shares Sojitz Group's sustainability-oriented policies and goals, and concrete, real examples of risks in business and how these risks were addressed. The handbook was designed specifically to inform suppliers of the importance of cutting greenhouse gas emissions, conserving biodiversity, and other efforts to lessen the environmental impact of business activities. Additionally, it aims to deepen understanding of human rights risks and efforts to improve working environments, as well as encourage readers to make these efforts themselves.



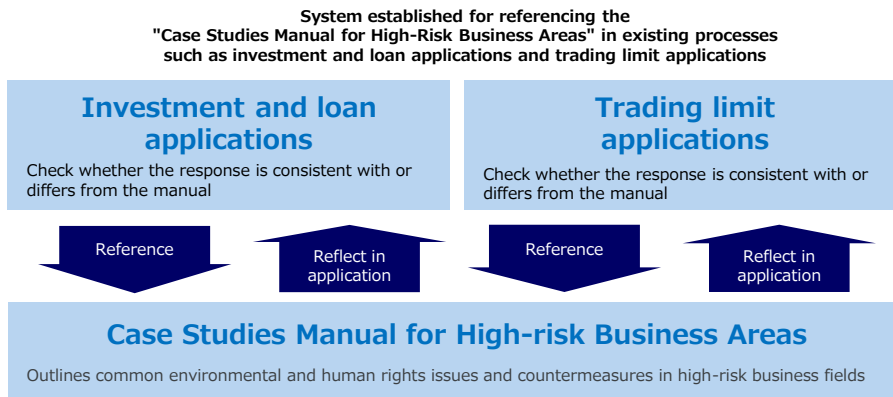
> Download [4.97 MB]

In addition, this handbook requires suppliers to share with Sojitz their activities to reduce negative environmental and human rights impacts and to reduce negative impacts by conducting on-site visits.

## 3-2. Risk Assessments

### 3-2-1. New Business Investment and Financing

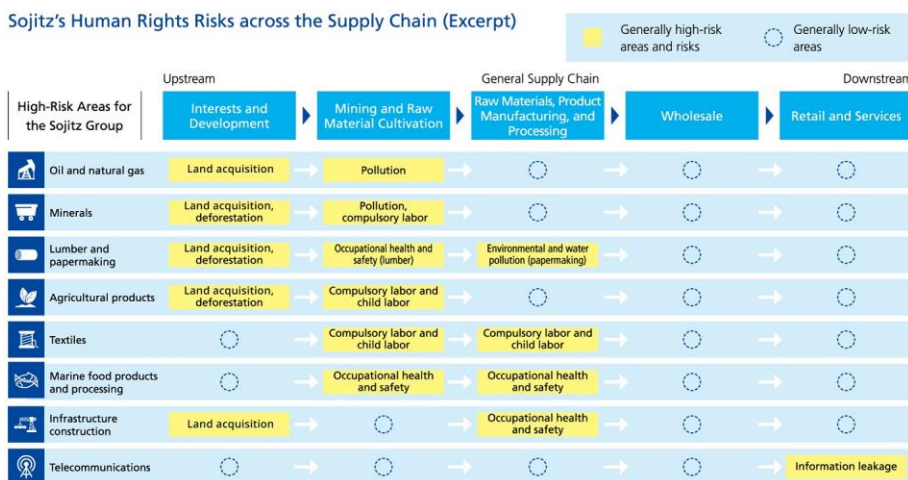
When conducting new investments and loans, the applying department identifies potential risks such as forced labor, child labor, and impacts on indigenous peoples based on human rights risk issues and response points in each business area, and formulates countermeasures. When necessary, due diligence is conducted to ensure no omissions in the identification of human rights risks or the formulation of countermeasures.



### 3-2-2. Existing Businesses and the Supply Chain

#### Identifying Sojitz Group’s High-risk Business Areas

As there are a variety of human rights issues that exist in supply chains, we believe it is important to prioritize our efforts to address human rights issues in business sectors where our analysis has revealed that urgent action is needed. The Business & Human Rights Resource Centre, an NGO based in the United Kingdom, maintains a database with examples of human rights risks. Adopting a risk-based approach, we use this database to identify areas of the Sojitz Group businesses in which risks are particularly high and to analyze and confirm the areas of the supply chain in which human rights risks are generally most likely to appear. High-risk business areas are regularly reviewed based on the latest database, our group’s business environment and circumstances, and opinions from external specialists.



## Human Rights Risk Identification and Review

To conduct risk assessments effectively, we identify issues and key points for response in high-risk business areas and share them across the Group. Organizations engaged in high-risk business areas investigate the status of responses by conducting questionnaires, interviews, and site visits with business partners. The results of these investigations are shared with the IR and Corporate Sustainability Department and each organization through annual dialogue, and we have established a system of on-site visits and other methods in case serious issues are identified. We incorporate insights gained from dialogue and interviews, as well as opinions from external specialists, and update issues and key points for response as appropriate.

### On-site investigations

Sojitz conducts investigations at the sites of individual transactions and businesses in investigating and confirming human rights risks as required.

For example, regarding the procurement (import) of wood, we have established the Sojitz Wood Procurement Policy based on the three pillars of a legality check, environmental consideration, and social consideration, and we conduct annual surveys to check traceability and environmental and social considerations. As part of the annual surveys, we conduct on-site visits and detailed due diligence involving external specialists for suppliers of concern, as necessary. In FY2024, we conducted four on-site investigations in Indonesia, four in China, three in Malaysia, one in Thailand, and nine in Vietnam.

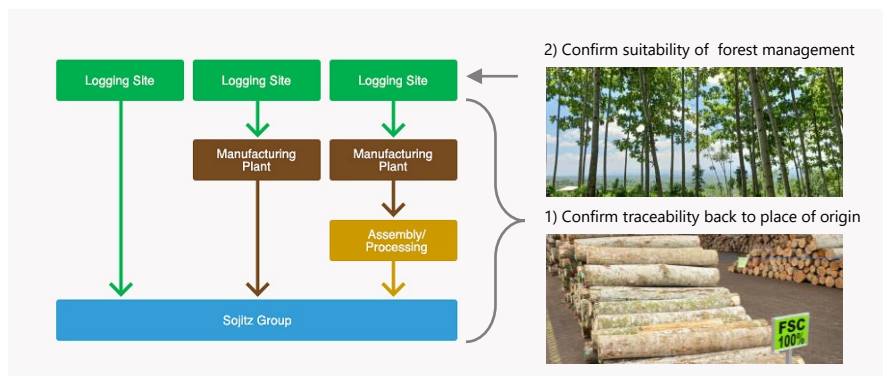
In addition, we established a procurement policy for marine food products in December 2024, and based on this policy, we began risk assessments in FY2025 and we plan to conduct on-site due diligence starting in FY2026.

## 3-3. Formulation of Individual Policies

To complement the Sojitz Group CSR Action Guidelines for Supply Chains, Sojitz has formulated policies related to high-risk areas where social standards are being developed, particularly lumber, minerals, palm oil and marine products. Sojitz organizes its policies in regard to these areas, and action is being taken based on the established policies.

### Risk Assessment (Wood Procurement)

From among Sojitz Group's approximately 1,500 wood-related suppliers, we narrowed our scope to wood from countries with high country risk or from suppliers from whom Sojitz Group has purchased the most wood in terms of monetary value. This wood was then checked under the supervision of WWF Japan for 1) whether it could be traced back to its place of origin and 2) suitability of forest management (whether the forest is subject to environmentally/socially-conscious forest management).



### Read more

> [Honoring the "Supply Chain CSR Action Guidelines" in our Lumber Business ~Sojitz Wood Procurement Policy~](#)

## 3-4. Improvements, Remedial Measures, and Disclosure of Results

In FY2024, we continued to conduct risk assessments of high-risk areas and confirmed that there were no significant issues regarding human rights measures at Sojitz Group companies or across the Group's supply chains. Moving forward, we will continue to pursue ongoing improvements through a PDCA cycle and ensure timely and appropriate disclosures, while incorporating input from external specialists as needed.

### Grievance Mechanisms

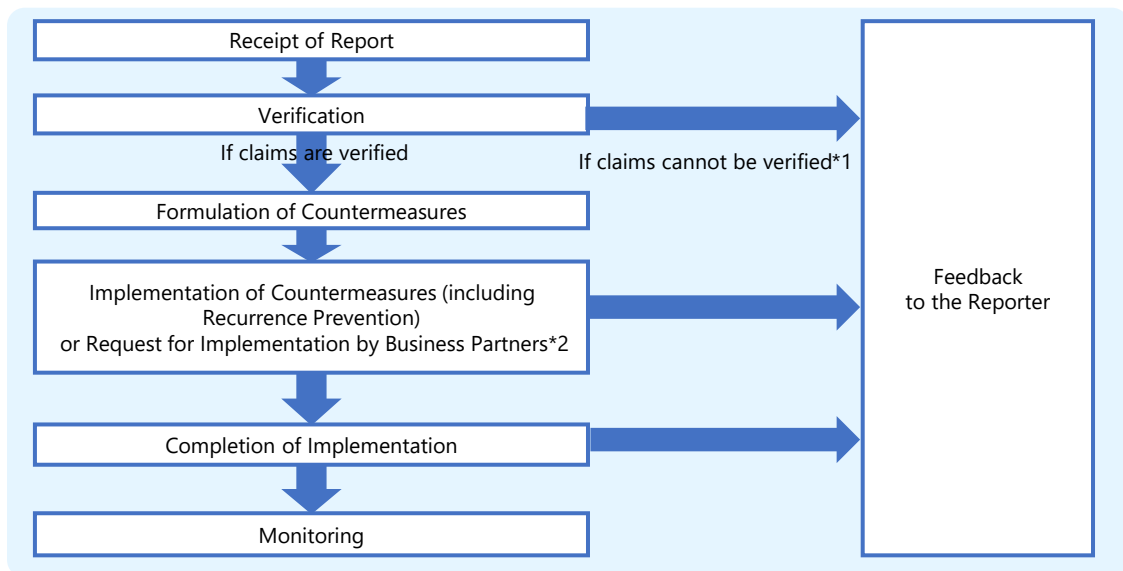
Sojitz Group has established a system to directly receive information and communications relating to human rights from relevant parties necessary for the improvement and remedy in order to facilitate direct engagement with stakeholders.

#### ■ Contact Information for External Stakeholders (Japanese and English available)

We have established a hotline to receive complaints and inquiries related to human rights from all stakeholders, including those within the supply chain.

> [Inquiry Form](#)

After receiving a report, we will confirm and respond through the process outlined below.



\*1 If claims cannot be verified, we will provide feedback to the reporter and continue the investigation as necessary.

\*2 If no improvement has been made after a specified period by business partners, we will take measures which may include a reconsideration of the contract with the supplier or partner.

#### ■ Internal hotline (25 languages available)

### Read more

> [Compliance](#)

If a human rights issue related to the Group's business is identified, we will engage in dialogues with stakeholders and take action to address the issue.

We manage personal information provided to our hotlines in accordance with our Privacy Policy to guarantee its confidentiality.

## 3-5. Other Initiatives

### 3-5-1. Responsibility to Our Clients

#### Sojitz's approach for maintaining food safety and security

Our company was the first general trading company to establish a Quality Assurance Office(\*1) within our business division in April 2008 to handle increased consumer concern for food safety and to manage increasing food logistics risks resulting from the acceleration of globalization. We will continue to undertake effective initiatives to maintain the safety and security of food.



Please refer to the following website for more details.

#### Read more

> [Responsibility to Our Customers](#)

### Efforts within Our Supply Chains

#### Participation in Sedex, an Ethical Business Practices Platform

Sojitz is a member of Sedex and reports corporate information regarding labor standards, health and safety, the environment, and business ethics in accordance with international standards. Sojitz participates in Sedex as part of its efforts to build socially responsible supply chains.

Sedex is an information sharing platform run by Sedex Information Exchange Limited, an NPO with headquarters in London. The organization conducts an internationally standardized survey of suppliers around the world on the environment, society, and human rights. Through an online system, members are able to share answers to these surveys and the results of audits, reducing the burden on both suppliers and contractors. Sedex is striving for the implementation of ethical and responsible business practices in supply chains on a global level.

## 4. Performance

### 4-1. Spreading Awareness of Sojitz's Human Rights Policy

Sojitz implemented the following measures and awareness-raising initiatives at Sojitz Group companies in its Medium-term Management Plan 2023 (FY2021 through FY2023.)

1. Collecting written documents confirming understanding of Sojitz's human rights policy and relevant issues.  
In June 2021, we collected statements from 179 out of 183 consolidated subsidiaries, for a 98% collection rate.
2. Dialogue with management teams at consolidated subsidiaries.  
Sojitz executed dialogues with all 164 consolidated subsidiaries\* between April 2021 and June 2022.  
Sojitz held dialogues with all 159 consolidated subsidiaries\* from August 2023 to March 2024.  
(\* excluding special purpose companies)

### 4-2. Identifying Fields of High Public Concern

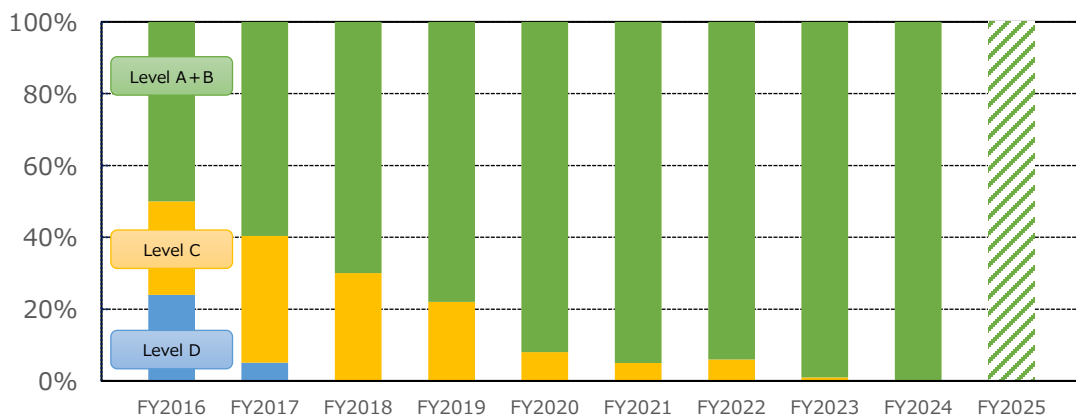
Every year, we identify fields of high public concern and conduct a comprehensive survey, including our business partners, regarding these issues. In FY2024, we identified and investigated the following issues: a) Respect for human rights in specified regions; b) Foreign Technical Interns.

### 4-3. Wood Procurement Policy: Results of 2024 Survey

We achieved our FY2025 target (100% Level A+B wood) ahead of schedule in FY2024.

#### Qualitative Progress and Sojitz's Target

|        | Level | FY2016 Survey | FY2017 Survey | FY2018 Survey | FY2019 Survey | FY2020 Survey | FY2021 Survey | FY2022 Survey | FY2023 Survey | FY2024 Survey | FY2025 Target |
|--------|-------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Sorted | A+B   | 50%           | 59%           | 70%           | 78%           | 92%           | 95%           | 94%           | 99%           | 100%          | 100%          |
|        | C     | 26%           | 35%           | 30%           | 22%           | 8%            | 5%            | 6%            | 1%            | 0%            | 0%            |
|        | D     | 24%           | 5%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            | 0%            |



#### Read more

> [Honoring the "Supply Chain CSR Action Guidelines" in our Lumber Business ~Sojitz Wood Procurement Policy~](#)

# Community



## 1. Policy and Basic Approach

The economic activities of companies, such as business operations and raw material harvesting and processing, have a significant impact on local communities. Accordingly, the social responsibility of companies is becoming increasingly important.

Sojitz recognizes that coexistence with local communities is critical as we conduct our businesses. We have therefore set “local communities” as one of our Materiality (Key Sustainability Issues). By promoting businesses that grow together with local communities and working to reduce the environmental and social impacts of our activities, we aim to realize businesses that develop and grow alongside local communities. We will communicate regularly with local communities to pursue sustainable business, work to solve issues with local communities, and support education initiatives for future generations.

Sojitz’s contributions to communities include those conducted through our business activities and those conducted through social contribution activities.

### 1-1. Mine Closure: Policy and Basic Approach

In its mine development and operation business, Sojitz gives due consideration to environmental protection, health and safety management, and contribution to local communities. Mine development entails various risks, but it is our policy to proceed with projects only after internally verifying that sufficient pollution and accident prevention measures are in place. This allows us to prevent risks before they materialize. Even after the mine is in operation, we work to ensure that it operates continuously with thorough safety and health management processes.

We implement thorough health and safety practices in order to ensure sustainable mining operations. We carry out the necessary rehabilitation activities and other maintenance measures for all mines, both while in operation and during the mine closure process, in order to reduce environmental impact and promote environmental conservation.

### 1-2. Social Contribution Activities: Basic Approach

The Sojitz Group Corporate Statement states that “Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity.” Sojitz Group aims to realize a sustainable society based on this statement. As members of society, each individual employee will strive to address social issues through Materiality (Key Sustainability Issues)-based activities.

#### Read more

> [Materiality \(Key Sustainability Issues\)](#)

## 2. Goals and Targets

### 2-1. Medium-term Management Plan 2026 —Set for Next Stage—

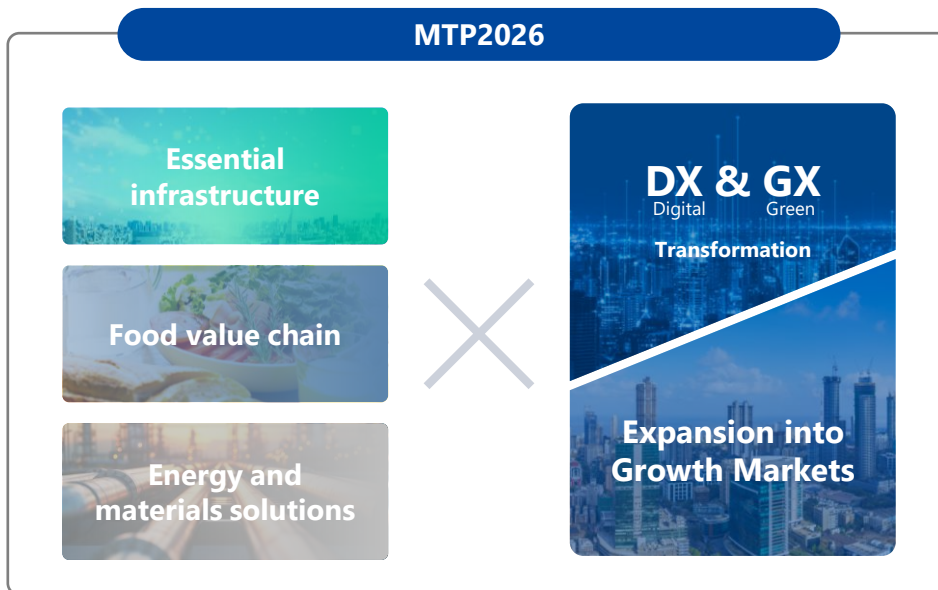
Sojitz has set three areas of focus in Medium-term Management Plan 2026 —Set for Next Stage—. We expect that each area will contribute to communities, and we will deepen our efforts to this goal.

Strategic focus areas : Essential infrastructure

Strategic focus areas : Food value chain

Strategic focus areas : Energy and materials solutions

#### 2-1-1. Medium-term Management Plan 2026 —Set for Next Stage—



Read more

> [Medium-term Management Plan 2026 —Set for Next Stage—](#)

## 3. Systems

Systems to Promote and Implement Sustainability



## 3-1. Risk Management Systems

### 3-1-1. Managing Environmental Risk for New Investment & Loan Projects

Prior to deliberating on new investment and loan projects, we require the department applying for investment and loan approval to complete an “Environmental and Social Risk Checklist.” Using the checklist, the department confirms that they have conducted the required due diligence and taken all necessary measures to deal with potential risks, such as impacts on local communities and labor safety.

The image shows a screenshot of a form titled "Environmental and Social Risk Checklist". The form is divided into several sections with yellow highlights. The sections include: "1. PROJECT INFORMATION", "2. ENVIRONMENTAL RISK ASSESSMENT", "3. SOCIAL RISK ASSESSMENT", "4. RISK MANAGEMENT PLAN", and "5. APPROVAL". Each section contains various input fields and checkboxes for data entry.

< Environmental and Social Risk Checklists >

### 3-1-2. Monitoring Existing Businesses

Through external and internal analysis, Sojitz Group (including consolidated subsidiaries and equity holding companies), in cooperation with business partners, identifies business fields that pose a high risk to local communities, and identifies where environmental and social issues are generally prone to occur throughout entire supply chains from upstream to downstream. We then investigate the supply chains of Sojitz Group’s businesses to confirm where those points exist. Based on the opinions of third-party experts, we implement the PDCA cycle for actions taken to address risks. We will also strive to ensure that awareness of risk remains high, and we plan to strengthen our efforts to identify new risks.

In addition, Sojitz Corporation implements its environmental management system (EMS) in accordance with ISO14001, the international standard for environmental management. Sojitz also monitors company initiatives for preventing pollution.

## 4. Initiatives

### 4-1. Overseas Industrial Park Business

To support Japanese companies in setting up overseas operations, Sojitz Group is focusing on the industrial park development business, mainly in Asia. In this business, we not only develop and sell industrial parks, but also provide reliable basic infrastructure such as electricity, water, and sewage systems, and are expanding and enhancing various services, including logistical and IT support, for companies entering the market. In addition, we play a part in the economic development of relevant countries through job creation and technology transfer. Through the continuing expansion of this business, we will contribute to the growth of industry in these countries.



## 4-2. Participation in Operations of an International Airport to Aid Sustained Development in Palau

Palau receives about 130,000 tourists annually, and with this number on the rise, the country's sole international airport, Palau International Airport has grown in importance. To redevelop this national-level transportation infrastructure, Sojitz set up Palau International Airport Corporation together with the government of Palau in August 2017, through an intermediate holding company established jointly by Sojitz and Japan Airport Terminal Co., Ltd. The construction project for the renovation and expansion of a new airport facility began on April 14th, 2019, and the project was completed in May 2022. The grand opening ceremony to celebrate completion of the new terminal was held on May 8th, 2022.

We will leverage our partner company's airport industry knowledge and network, as well as their expertise in managing passenger terminals to enrich commercial facilities and improve passenger services and convenience. We will also take an active role in making policies to promote tourism and strive to contribute to sustainable economic and social development in Palau, where tourism is the key industry.



Palau International Airport (Concept art of the completed airport)

## 4-3. Indian Railway Project

Sojitz is working to construct a dedicated freight corridor between Delhi and Mumbai together with India's largest general contractor. The railroad is expected to contribute to India's economic development by transporting cargo between Delhi in the northern part of the country and the city of Mumbai in the western part of the country, which is undergoing rapid economic growth. In addition, more than 250 Japanese companies have sites in the vicinity of the planned route, and the corridor is expected to contribute to the local business of Japanese companies.



At the track laying site

## 4-4. Hospital Projects Turkey and Australia

### 4-4-1. Turkey Hospital Project

Sojitz is involved in the management of a hospital complex in Turkey via a wholly owned subsidiary. Sojitz manages the Ikitelli Integrated Health Campus (Ikitelli IHC), located in Istanbul, Turkey, through an operating company established as a joint venture with Rönesans Group, a major Turkish construction conglomerate. The Ikitelli IHC has a capacity of 2,682 beds and is one of the largest single hospital facilities worldwide that is managed in part by a Japanese company.

In response to Turkey's hospital bed shortage, the Turkish Ministry of Health is planning to build 40,000 beds worth of public hospital facilities through public-private partnerships (PPP). As an integrated health campus, Ikitelli IHC includes a general hospital, a cardiovascular hospital, an oncology hospital, a women's hospital, a children's hospital, and a neurology and orthopedics hospital. This makes it one of the largest projects undertaken as part of the Ministry of Health's initiative. The hospital serves as a last line of defense to prevent the collapse of Turkey's healthcare system.



### 4-4-2. Australia Hospital Project

Sojitz is currently involved in a hospital project in Australia. A consortium was established with equity ownership split 30% to Sojitz Group and the remaining 70% to Australia's Plenary Group to deliver the New Footscray Hospital project located in Melbourne, Victoria. The hospital is scheduled to open in 2025, with a total project cost estimated at AUD 1.5 billion (JPY 120 billion), and will be one of the largest single health infrastructure investments in the state of Victoria. The project is a public-private partnership, and the project partners concluded a long-term contract with the Victorian Government for the financing, design, construction, and operation of the facility. The New Footscray Hospital will address the needs of the growing population in Melbourne's western suburbs, ensuring an adequate number of beds for local residents and contributing to patient intake.



## Read more

Australia Hospital Project

> [Sojitz Joins Hospital Project in Australia](#) | [News Room](#) | [Sojitz Corporation](#)

## 5. Social Contributions

### 5-1. Support for Reconstruction after the East Japan Earthquake through Our Business Activities

SOFCO Seafoods Inc.'s Otsuchi plant in Iwate Prefecture suffered large-scale damages in the disaster and was forced to suspend its manufacturing operations. With the support of its affiliates, SOFCO built a new plant in Kamaishi and resumed operations from March 2012. In addition to revitalizing the regional community, rebuilding the SOFCO plant has contributed to reconstruction and job creation on the coast, where the fishing industry is the main industry. SOFCO is working to rebuild its business, which is centered around its main product of salmon flakes.



### 5-2. Other Social Contribution Activities and Disaster Relief

Below are examples of Sojitz's social contribution activities and disaster relief efforts.

#### Read more

- > [Educational Support in Vietnam](#)
- > [Support for Blind Football](#)
- > [Social Contribution in Areas of Business](#)
- > [Social Contribution Activities during the COVID-19 Pandemic](#)
- > [Support for Reconstruction after Earthquakes](#)
- > [Sojitz's Employee Volunteer Activities](#)
- > [Education Initiatives for the Next Generation](#)
- > [Sojitz Foundation](#)

- > [Nagaoka Zen Training Center](#)
- > [Sojitz Onigiri Action](#)

## 6. Performance

### 6-1. Disaster Relief Activities and Donations

| Disaster (Time of occurrence)   | Donations (*)   |
|---|---|
| Relief Aid for Damage Caused by Typhoon Yagi in Vietnam (September 2024)  | Donated \$10,000  |
| Relief Aid for Earthquake Damage in Taiwan (April 2024)   | Donated ¥5 million, plus NT\$ 50 thousand from Sojitz Taiwan Corporation                    |
| Relief Aid for Earthquake Damage in the Noto Peninsula (January 2024)   | Donated ¥10 million   |
| Relief Aid for Earthquake Damage in Morocco (September 2023)  | Donated ¥5 million  |
| Relief Aid for Earthquake Damage in Turkey (March 2023)   | Donated ¥10 million   |
| Relief Aid for Flood Damage in Pakistan (November 2022)   | Donated ¥3 million  |
| In-house employee fundraising for emergency COVID-19 relief conducted at workplace vaccination sites and matching contribution donated by Sojitz (2021) | Sojitz Group employees donated ¥990,957 (with Sojitz matching the donation amount)          |
| Relief Aid for Damage Caused by the July 2020 Kyushu Floods (July 2020)   | Donated ¥5 million  |
| Relief Aid for Damage Caused by Typhoon Hagibis (October 2019)  | Donated ¥5 million  |
| Relief Aid for Sulawesi Earthquake and Tsunami (October 2018)   | Donated IDR 500 million (about ¥3.75 million) together with Sojitz Indonesia                |
| Relief Aid for Earthquake Damage in Eastern Iburi, Hokkaido (September 2018)  | Donated ¥3 million  |
| Relief Aid for Heavy Rain Damage in Western Japan (July 2018)   | Donated ¥10 million   |
| Relief Aid for Earthquake Damage in Kumamoto (April 2016)   | Donated cash, drinking water and other supplies totaling ¥10 million on behalf of the Group |
| Relief Aid for Areas Damaged by Tropical Storm Etau (September 2015)  | Donated ¥1 million  |
| Assistance for Earthquake in Nepal (April 2015)   | Donated ¥1 million  |
| Assistance for Earthquake Stricken Areas in Yunnan Province, China (August 2014)  | Donated ¥1 million  |
| Relief Aid for Typhoon Damage (Typhoon Haiyan) in the Philippines (November 2013)   | Donated ¥10 million on behalf of the Sojitz Group   |

| Disaster (Time of occurrence)   | Donations (*)   |
|---|---|
| <b>Relief Aid for New York City (for Victims of Hurricane Sandy that Hit the United States)</b> (November 2012) | Donated \$50,000 (equivalent to ¥4.2 million) on behalf of the Group                                  |
| <b>Thailand Flood Damage</b> (August 2011)  | Donated cash and relief supplies totaling ¥10 million together with Sojitz Asia and Sojitz (Thailand) |
| <b>Great East Japan Earthquake</b> (March 2011)   | Donated ¥100 million  |
| <b>Christchurch earthquake</b> (February 2011)  | Donated ¥1 million together with Sojitz New Zealand   |
| <b>Brazil Flood Damage</b> (January 2011)   | Donated ¥3 million together with Sojitz do Brasil   |
| <b>Queensland, Australia Flood Damage</b> (January 2011)  | Donated A\$100 thousand (about ¥8.3 million) together with Sojitz Australia                           |
| <b>China Landslides</b> (August 2010)   | Donated ¥1 million together with Sojitz (China)   |
| <b>Pakistan Flood Damage</b> (July – August 2010)   | Donated ¥1 million  |
| <b>Earthquake in Qinghai Province, China</b> (April 2010)   | Donated ¥1 million, plus ¥200 thousand from employees of Sojitz (China)                               |

\* Cash donations are given to the Red Cross in each country and to NGOs working in the disaster areas.

# Responsibility to Our Customers

## 1. Policy and Basic Approach

Sojitz Group develops business in a wide range of business areas around the world as it pursues its mission of delivering goods and services to meet customer needs. The company communicates with its stakeholders in order to earnestly address the expectations and demands set by society, and Sojitz seeks to not only comply with relevant laws and regulations, but maintain an active awareness of the importance of quality management throughout its business activities. Through these efforts, Sojitz strives to fulfill its responsibility to its customers.

### 1-1. Responsible Advertising and Marketing

Sojitz Group implements responsible advertising and marketing practices in accordance with the Sojitz Group Corporate Statement, Sojitz Group Slogan, and Sojitz Guiding Principles in order to build enduring trust with stakeholders through a spirit of integrity.

#### 1-1-1. Advertising

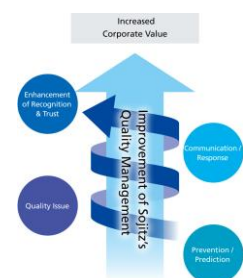
Sojitz Group implements a "One Brand Strategy" which stipulates the use of a single Group name and Group symbol in order to create a unified visual identity, promote a positive brand reputation among our customers, and foster a sense of unity across Sojitz Group. Sojitz has established rules and regulations that prescribe processes for gaining internal approval for marketing and advertising materials in order to ensure the appropriateness of published language and content. For all advertising materials, Sojitz gives careful consideration to concerns including defamation, discriminatory language, religious and political beliefs, the environment, the privacy of third parties, personal information, and intellectual property rights. The company also seeks to ensure responsible information sharing through internal educational programs and the establishment of a monitoring framework.

#### 1-1-2. Marketing

Sojitz Group implements responsible marketing practices by strictly complying with laws and regulations regarding marketing (such as the Unfair Competition Prevention Act) and by ensuring that all content and language does not damage the trust or reputation of third parties, violate rights, or provide misinformation.

### 1-2. Quality Management

Sojitz develops operations in a wide range of fields to fulfill its mission as a general trading company: delivering goods and services where there is a need. Our value chain spans from resource development through to production, processing, wholesale, distribution, and finally retail sales and service provision.



We have established the Sojitz Group Quality Management Policy to define basic principles for quality management that we expect to be observed on a company-wide basis. Guided by this policy, Sojitz practices quality management at the frontline organizations that interact directly with customers. We thereby seek to provide our customers and society with safe and reliable goods and services.

## 1-3. Sojitz Group Quality Management Policy

### Sojitz Group Quality Management Initiatives

Sojitz Group's mission as a general trading company is to deliver goods and services to meet customer needs. By taking a proactive approach to grasp the true needs of the market, Sojitz aims to contribute to people's lives and to society by creating value and prosperity through its business activities.

We are committed to providing our customers and society with safe and reliable goods and services. Sojitz Group's quality management initiatives reflect our dedication to understanding and responding to customer needs.

### Quality Management Policy

#### 1. Integrity and Trust

Sojitz will act in good faith to meet the quality standards of its customers and society. We seek to build enduring trust through our constant efforts to realize these expectations.

#### 2. Adaptability

As people's values and social environments change, companies are faced with new requirements for quality. We will meet these new standards by continuing to implement appropriate quality management systems, including updating our methods based on technological innovation.

#### 3. Strong Human Capital

Quality management issues not only affect our direct customers and suppliers, but also have an impact on society as a whole. We will strengthen our human capital to carry out quality management practices and deliver goods and services that meet true market needs, in order to continue to create value and prosperity.

#### 4. Transparency

We strive to offer fair and comprehensive information and explanations related to the goods and services provided in order to fulfill our accountability to customers and to society.

#### 5. Compliance with Agreements and Legal Regulations

Sojitz pledges to uphold its promise to provide customers with quality goods and services. In addition, we fully understand and act in compliance with legal regulations related to quality management.

### Scope of Policy

This policy applies to the quality management of all goods and services handled by Sojitz Corporation and its consolidated subsidiaries.

### Revisions to the Policy

Sojitz Group will review and revise this policy as necessary based on social issues in each country and region, changes in people's values and lifestyles, technological innovations, and the expansion of the Group's business fields.

## 2. Systems

As Sojitz Group is engaged in diverse business fields, the influence of supply chains has become more far reaching. Sojitz established the Quality Management Committee in FY2021 as an organization under the supervision of the president & CEO to ensure company-wide quality management of the goods and services we provide to our customers. The Quality Management Committee monitors frontline quality management initiatives by collecting and sharing the insights gained through these initiatives.

From FY2022, Sojitz has maintained its focus on preventing quality issues while also launching activities for securing a competitive edge through quality. In Medium-term Management Plan 2026, we have highlighted three commitments: 1) Fully implement preventative quality management measures, 2) Carry out proactive quality management initiatives for the enhancement of corporate value, and 3) Raise employees' awareness on quality management across all business sites. In addition to these initiatives, the Quality Management Committee will continue to monitor proactive and independent quality management initiatives with the goal of driving value creation.

### 2-1. Quality Management Committee Members (as of April 1, 2025)

The Quality Management Committee is an executing body under the supervision of the president & CEO who appoints an executive officer to chair the committee, which is comprised of general managers from the Planning & Administration Office for each business division.

|                   |  |
|-------------------|--|
| Committee Chair   | Executive Officer, (COO, Risk Management Department)   |
| Committee Members | Managing Executive Officer, (General Manager of Kansai Office)<br>Managing Executive Officer, (CCO, CISO, Legal Department, Internal Control Administration Department)<br>Executive Officer, (COO, Retail & Consumer Service Division)<br>Executive Officer, (COO, Corporate Planning Department, Energy Transformation Department, M&A Strategy & Value Creation Office)<br>General Managers of the Planning & Administration Departments (each business division) |
| Observer          | Director, Audit and Supervisory Committee Member<br>General Manager of Internal Control Administration Department  |
| Secretariat       | General Risk Management Department   |

## 3. Initiatives

Sojitz Group conducts quality management for its diverse business fields based on the aforementioned policy and basic approach.

Sojitz Group aims to provide new value and prosperity to consumers around the world through the medium of food and therefore conduct business in accordance with the following Sojitz Group Food Safety Policy.

### Sojitz Group Food Safety Policy

1. Ensuring food safety is at the core of Sojitz Group's food business. We are committed to providing safe and reliable products and services to consumers.
2. Sojitz Group strives to meet the expectations of consumers and society. We aim to proactively adapt to change in pursuit of the ongoing improvement of its products and services.
3. Sojitz Group implements human resource development initiatives for employees at all Group companies to instill a culture of food safety.
4. Sojitz Group is committed to creating quality management systems that enable the company to demonstrate and explain the safety of all products and services across its supply chains.
5. Sojitz Group complies with domestic and international laws and regulations and utilizes quality assurance systems based on international standards in order to provide safe and reliable products and services to consumers.

## 3-1. Sojitz's Approach for Maintaining Food Safety and Security

Our company was the first general trading company to establish a Quality Assurance Office(\*1) within our business division in April 2008 to handle increased consumer concern for food safety and to manage increasing food logistics risks resulting from the acceleration of globalization. We will continue to undertake effective initiatives to maintain the safety and security of food.

For example, we have set up a registration system for suppliers requiring food safety certification in accordance with HACCP\*, an internationally recognized approach which was implemented in Japan from June 2021 in response to the amendments to Japan's Food Sanitation Act. We conduct factory audits performed by certificated ISO associate auditors, carry out on-site production supervision, verify food labeling for products handled by Sojitz, and centrally manage consumer complaint information.

Furthermore, as China is still a major global supplier of food, we established the Quality Assurance Office's China Branch Office in May 2008. We have full-time quality assurance staff to continually conduct factory audits and production floor visits within the country and provide information to factories.

For sales staff that work directly with our clients, we hold meetings to share information on food safety, conduct e-Learning courses, and utilize chatbots to provide general knowledge on food safety and related internal rules. Going beyond food labeling laws and regulations, we educate employees on points to take note of for responsible food labeling, as well as basic knowledge for managing quality and sanitation.

Additionally, our subsidiaries and affiliated companies undertake initiatives under programs independently developed by each company, including employee training and the creation of appropriate and legally compliant food labeling. Furthermore, we convene the "Group Joint Quality Control and Assurance Liaison Meeting" quarterly, offering a platform for group companies to share expertise and present case studies. Thereby, advancing cross-organizational collaboration and continuously enhancing the group's overall quality management capabilities.

\* Hazard Analysis Critical Control Points (HACCP): A method of food safety management in which food business operators analyze hazard points such as contamination with food poisoning bacteria or a foreign substance and eliminate or reduce these hazard points within the entire production process, which includes everything from the delivery of raw materials to shipment of the finished product.



### 3-1-1. Label Inspections

At Sojitz, the Quality Assurance Office checks labeling and phrasing on products and promotional display items from a variety of perspectives, including various laws and regulations, safety, social responsibility, and environmental issues. Through these checks we identify latent risks and problems and provide guidance for making improvements. Furthermore, we make use of these checks in our daily work by keeping records of areas for which we provide guidance for improvement, including reports from related departments on response methods.

## 3-2. Participation in External Initiatives Related to Food Safety

1. The Quality Assurance Office, which supports the Retail & Consumer Service Division and Consumer Industry & Agriculture Business Division, strives to ensure the safety and reliability of foods and food products handled by Sojitz, including processed foods. In order to maintain and improve its quality assurance functions, the Office is affiliated with the following external organizations to gather and exchange information.

### Association for the Safety of Imported Food, Japan (ASIF)

A group of concerned companies involved with importing, manufacturing, distribution, and sales formed ASIF in November 1988 to work towards solving imported food safety issues.

These activities led to the ASIF receiving permission from the Ministry of Health, Labour and Welfare in September 1992 to become an incorporated association. ASIF received authorization to become a public interest corporation on April 1st, 2011.

ASIF is involved in a wide variety of activities to support food vendors in fulfilling the social responsibility of “delivering safe and secure imported foods”.

### Read more

<http://www.asif.or.jp/> (Japanese only)

Sojitz Group is a member of the Association for the Safety of Imported Food, Japan, which helps Sojitz employees to stay informed of food import conditions and to be notified of revisions to government ordinances in a timely manner as well as ensure smooth import processes and raise in-house food safety literacy.

### Marine Food Hygiene Council

As preparations were underway for the 1964 Tokyo Olympics, the Association was established in 1962 to contribute to the development of the industry and protect the well-being of citizens, striving to improve the sanitation quality of seafood and to increase cooperation and strengthen bonds between members.

Sojitz Group is a member of the Marine Food Hygiene Council and aims to use the knowledge gained through information exchanges with the council and reflect this input into food safety management systems for marine food products at the company.

## The Organization of Japan Food Safety Support

The Organization of Japan Food Safety Support gathers and exchanges information on policy issues regarding food safety in Japan, making policy proposals as deemed necessary. Striving to contribute to the promotion of food safety policies, the Association regularly holds seminars together with businesses and government organizations involved with foods.

### Read more

<https://www.food-safety.or.jp/association/> (Japanese only)

Sojitz Group exchanges opinions with executives from The Organization of Japan Food Safety Support to deepen understanding of various laws and regulations while simultaneously promoting food safety policies.

## Tokyo Plant Quarantine Association (TPQA)

The TPQA was established to enable smooth, proper, and timely plant quarantine procedures in Tokyo Bay, with services including carrying out and also centralizing plant quarantine procedures.

### Read more

<http://www.tokyo-syokken.gr.jp/> (Japanese only)

A representative from Sojitz Group serves as an executive officer for the Tokyo Plant Quarantine Association and coordinates with relevant authorities to ensure smooth plant quarantine practices. Membership helps Sojitz to remain up to date on the latest plant protection practices as well as improve management.

2. For food product transactions undertaken by the Retail & Consumer Service Division and Consumer Industry & Agriculture Business Division in both Japan and overseas, we have set up a registration system for suppliers requiring food safety certification in accordance with HACCP, an internationally recognized approach which was implemented in Japan from June 2021 in response to the amendments to Japan's Food Sanitation Act.

Furthermore, we encourage project companies to obtain international food safety certifications, such as FSSC22000. Below are organizations that have obtained such certifications.

## The MarineFoods Corporation Mie Plant: FSSC22000

### Read more

<https://www.marinefoods.co.jp/english/about/business/marketing/>

## MF Vietnam Ltd.: BRCGS

### Read more

<https://www.marinefoods.co.jp/english/about/business/marketing/>

## Kushiro Marusui Co., Ltd.: FSSC22000

### Read more

<https://marusui.co.jp/about/>

## TRY Inc. Shimada Plant・Yoshida Plant: FSSC22000

### Read more

<https://www.try-sangyou.co.jp/en/secure/#a05>

**Sojitz Royal In-flight Catering Co., Ltd. KIX: ISO22000****Read more**

<https://www.sojitz-sric.com/business/safety.html>

**Sojitz Tuna Farm Takashima Co., Ltd.: FSSC22000, ISO22000****SOFCO Seafoods Inc.: JFS-B****Read more**

<https://sojitz-foods-sf.com/company/#a04>

**Dalian Global Food Corporation: BRCGS, ISO22000, HACCP****Read more**

<https://www.xmaguro.com/col.jsp?id=101>

**Dai Tan Viet Joint Stock Company: ISO9001, ISO22000****Read more**

<https://newviet.vn/en/about-us/>

**Japan Best Foods Co., Ltd.: ISO22000, HACCP****Sojitz Nogyo Corporation (Yuri Nojin Corporation, Oita Nojin Corporation) : JGAP****Read more**

<https://www.sojitz-nogyo.com/company/>

**Nippon Premium Bakery Inc.: GMP, HACCP****Read more**

<https://www.fuwafuwa.com.ph/company/>

**Japan Vietnam Livestock Co., Ltd.: HACCP**

- ISO9001 : Quality management systems published by International Organization for Standardization
- ISO22000 : Food safety management systems involving HACCP principles by International Organization for Standardization
- FSSC22000, BRCGS : Food safety management systems including specific food hygiene management methods based on ISO22000
- GMP : Practices required for controlling production management and quality control
- JFS-B : Food safety management systems published by Japan Food Safety Management Association
- JGAP : Japan-developed Good Agricultural Practices (GAP) certification system designed to enhance food safety, protect the environment, and ensure worker safety.

### 3-3. Ensuring Correct Labeling for Processed Foods

In order to ensure the processed foods that we handle are labeled correctly, the Retail & Consumer Service Division and Consumer Industry & Agriculture Business Division have individuals certified in food labeling within their specialized quality management organizations, which are part of a system to confirm that all labels are created in accordance with the established standards for food product labels.

### 3-4. Developing and Supplying Processed Foods with a Low Environmental Impact

The Marine Foods Corporation has developed a lobster soup product which incorporates whole lobster heads as a raw material. The manufacturing process reduces waste products by utilizing the lobster head and other parts that are generally discarded after the sauce from the soup stock is extracted.

Additionally, Sojitz Foods Corporation and Tastable Co., Ltd. develop and sell plant-based meat NIKUVEGE patties which reduce the use of water by 92% and greenhouse gases by 98%. Sojitz Group will continue to take on the challenge of developing food products with a low environmental impact and utilizing limited resources effectively.

# Diversity Management

## 1. Commitment to Promoting Women in the Workplace

Our mission as a general trading company is to provide the necessary goods and services to places where there is a need. People are the driving force behind Sojitz's value creation, and a company's growth is dependent on the growth of its people. To strengthen human capital development and diversity at Sojitz Group, it is essential to support the unique strengths of a diverse workforce inclusive for all genders, nationalities, ages, and career backgrounds. Sojitz has set a goal to increase both the total percentage of female employees at the company and the percentage of female middle managers to 50% during the 2030s. To ensure sustainable growth for the company, Sojitz aims to create an equitable workplace in which talent allocation is based on an individual's capabilities for a role as opposed to gender-based preconceptions.

At Sojitz, employees have the freedom to pursue diverse career paths and take on exciting business challenges with versatility to accommodate their life stage. Each individual aspires to be self-directed and think proactively to predict diverse social needs through foresight, seize change as an opportunity, and transform. We will continue to actively take on new business creation to achieve Sojitz's vision for 2030 of becoming a general trading company that constantly cultivates new businesses and human capital.

Kosuke Uemura  
Representative Director, President & CEO

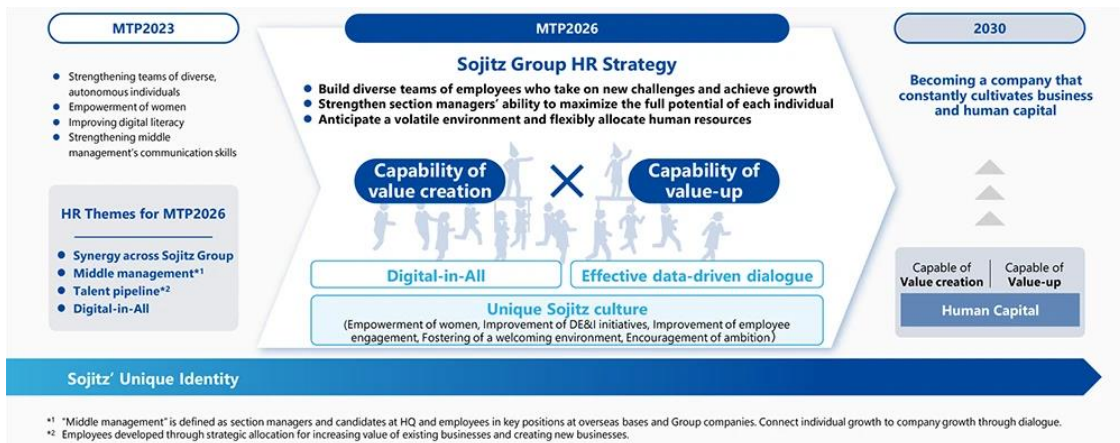


## 2. Policy and Basic Approach

Sojitz has defined its vision for 2030 as becoming a general trading company that constantly cultivates new businesses and human capital. To realize this vision, Sojitz has positioned "transforming diversity into competitiveness" as a central theme under which the company will transform the diversity of its human resources into an organizational strength for consistently creating value with speed amidst a rapidly changing business environment.

Sojitz continues to proactively recruit diverse talent in terms of gender, nationality, and skill, including mid-career hires with high levels of expertise. We seek to create a workplace environment in which all diverse employees can realize their full potential, and the company implements a wide range of initiatives including trainings for managers to promote awareness and understanding of diversity-related matters.

## 2-1. Medium-term Management Plan 2026: Human Resource Strategy



### ■ 1. Build diverse teams of employees who take on new challenges and achieve growth

Sojitz aims to transform diversity into a competitive advantage by maximizing the unique strengths of all employees and emboldening individuals to take on new challenges.

#### Major Themes for Promoting Diversity

- Diversity Management
- Promoting Women in the Workplace
- Balancing Work and Childcare
- Balancing Work and Caregiving
- Employees Nearing Retirement Age
- Opportunities for Locally Hired Employees
- Opportunities for Employees with Disabilities
- Fostering Understanding of LGBTQ Employees

#### Read more

> [More on Sojitz's human resource strategy](#)

### ■ 2. Strengthen section managers' ability to maximize the full potential of each individual

#### Read more

> [More on Sojitz's human resource strategy](#)

### ■ 3. Anticipate the changing business environment and allocate human resources flexibly

#### Read more

> [More on Sojitz's human resource strategy](#)

### 3. Goals and Targets

## 3-1. Transforming Diversity into Competitiveness: Initiatives and Targets for the Mid- to Long-Term Leading up to 2030

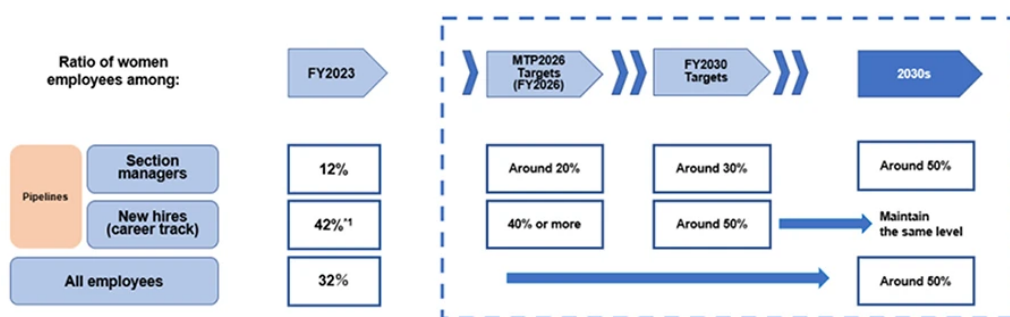
### Transforming Diversity into Competitiveness

All employees, regardless of gender or stage of life (childbirth, childcare), can fully exercise their knowledge, skills, and experience to contribute to value creation

#### ■ Promoting Women in the Workplace

Sojitz positions the promotion of women in the workplace as one of the most important goals under its human resources strategy. The company's dedicated diversity management organization works to advance various diversity promotion initiatives by the 2030s, such as increasing the number of female employees in decision-making roles and creating an equitable workplace in which talent allocation is based on an individual's capabilities for a role as opposed to gender-based preconceptions.

Sojitz aims to increase the percentage of female employees to around 50% and the percentage of female section managers to around 50% during the 2030s. We have set a target of raising the percentage of female managers to around 20% by the final year of Medium-term Management Plan 2026. To achieve these goals, Sojitz is supporting female employees in acquiring experience to nurture talent across the leadership pipeline, closing the gender gap for work experience, and promoting employee retention and engagement by supporting women through major life events.



\* Joined Sojitz on April 1, 2024

During Medium-term Management Plan 2023, we set a KPI to increase the percentage of pre-manager female career-track employees with secondment experience in Japan or overseas as part of efforts to provide female employees with external business experiences and enhance their engagement through growth opportunities outside of Sojitz HQ. Sojitz aims to accelerate female employees' career progression prior to major life events through use of the trainee program, secondments, and other assignments both in Japan and overseas.

As part of efforts to strengthen the leadership pipeline, we added the "ratio of employees with secondment experience in Japan or overseas" as a new KPI under Medium-term Management Plan 2026 to increase the ratio of female managers gaining high-level experience such as mission execution, decision-making, and other responsibilities commensurate with managerial positions.

Sojitz strives to create an environment that supports all employees, regardless of gender, as they balance work and childcare. Sojitz believes fostering a supportive workplace environment is imperative to creating a corporate culture in which female employees can continue to advance their careers through childbirth, child-rearing, and other life events. Sojitz aims to maintain a 100% childcare leave acquisition rate for employees, including men. (In FY2023, Sojitz achieved a 100% rate\* of childcare leave for both male and female employees.)

\* Note: This figure represents the effective rate of childcare leave taken by the employees whose children were born during FY2023, including 4 male employees planning to take leave in FY2024.

## Read more

> [Corporate Governance](#)

## ■ Action Plan for Promoting Women in the Workplace

Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, we will continue striving for the promotion of women in the workplace with the following plan for achieving these targets by March 31, 2027.

## Read more

> [General Employer Action Plan \(April 2024 - March 2027\) established in accordance with Japan's Act on Promotion of Women's Participation and Advancement in the Workplace](#)

## ■ Opportunities for Locally Hired Employees

Sojitz aims to leverage its overseas operating companies to tap into local networks, expand Sojitz's business areas, and create new business. In order to achieve these goals, Sojitz is further increasing the number of locally hired employees holding chief officer positions at overseas operating companies. The ratio of overseas chief officer positions filled by locally hired employees was 40% at the end of FY2021, and this ratio increased to 45% by the end of FY2023. Previously, Sojitz aimed to raise this localization ratio to 50% or more by FY2025, but has since revised its target upward to 60% under Medium-term Management Plan 2026 as part of the company's efforts to further the localization process. Moreover, Sojitz aims to bolster information sharing in overseas regions in order to facilitate market-oriented initiatives, seize new business opportunities, and promote co-creation and sharing. To this end, the company has established an advisory board composed of the locally hired chief officers of overseas operating companies. At a meeting of the advisory board held in the U.S., former president Masayoshi Fujimoto joined chief officers of operating companies in the Americas in a lively debate about growth strategies to be implemented going forward. Through such exchanges, Sojitz aims to achieve business expansion and create synergy across Sojitz Group by encouraging collaboration throughout its diverse businesses.

## ■ Opportunities for Mid-Career Recruits

Sojitz is focusing on mid-career recruitment to enhance the diversity of its workforce. We aim to achieve diverse representation across gender and nationality for mid-career recruits including management-level employees, DX experts, and other specialized professionals. As of the end of FY2023, mid-career hires accounted for 24% of management posts and 39% of executive posts. In addition, mid-career hires accounted for 31% of all hires in FY2023. We plan to continue to have mid-career recruitment account for about 30% of all new hires each year, and aim to ensure that approximately 40% of those mid-career recruits are women. In December 2021, we welcomed a specialist from outside the company as the first female Executive Officer and Chief Digital Officer (CDO).\* The CDO brings a unique perspective and expertise cultivated throughout her career at multiple institutions, and Sojitz aims to leverage this female executive's experience in dialogues with management and frontline employees in order to accelerate the implementation of digital technologies that will lead to new business creation and the transformation of business models.

\* Tomomi Arakawa was appointed to the position of Senior Managing Executive Officer, CDO, CIO, and COO of the Digital Department on April 1, 2024.

Sojitz utilizes a uniform compensation structure for all employees with the same qualifications and the same level of professional duties regardless of gender.

## 4. Systems

### 4-1. System for Promoting Diversity

Sojitz's policies, goals, and progress on diversity and other human resource strategy initiatives are regularly presented to the Management Committee and Board of Directors and extensively discussed by management. In order to link the promotion of diversity to long-term sustainable growth, Sojitz leads the planning, administration, and promotion of diversity policies which synergize with work style reforms, health management, and other measures.

Furthermore, in order to accelerate diversity initiatives throughout the company, Sojitz has included a category in the "human resource development" section of each organization's performance evaluation that measures the degree to which an organization has implemented initiatives to transform diversity into a competitive advantage, such as by promoting women and providing opportunities for junior employees and employees nearing retirement age.

The status of diversity and other human resource initiatives are regularly reported to the Board of Directors, and Sojitz holds individual meetings with the Corporate Planning Department, the Human Resource Department, and outside directors. Sojitz reflects the advice and guidance received through these meetings regarding diversity measures and initiatives.

## 5. Initiatives

### 5-1. Diversity Management

Sojitz communicates the importance of diversity management through company-wide messages from the president and at training seminars for manager-level employees in order to emphasize how harnessing employees with unique backgrounds and values can drive organizational results.

#### ■ Unconscious Bias Training

In FY2023, Sojitz held a training for all employees on unconscious bias, with attendance mandatory for all managers (general managers, deputy general managers, section managers, and deputy section managers). As a post-training assignment, attendees were encouraged to reflect on their own unconscious biases and consider how they will manage their organizations and hold dialogues with team members going forward based on this training.



Lecture by guest speaker Yosuke Yagi, People First, Ltd.

## ■ Diversity Month

Each individual at the company brings a unique perspective informed by their gender, nationality, age, background, and other qualities. To create an environment where employees can leverage their diverse perspectives and contribute to their organizations, each Sojitz employee must take personal responsibility for promoting diversity through their actions. In order to instill this mindset throughout the company, Sojitz designated March 2024 as Diversity Month, holding events throughout the month aligned with five key DEI themes (diversity management, women’s health, male childcare leave, caregiving, and LGBTQ), including lectures from outside experts and sessions where employees shared their personal experiences.

To mark Diversity Month, Sojitz Chairman & CEO Masayoshi Fujimoto shared a message with all employees, emphasizing that “in order to transform diversity into competitiveness, Sojitz will continue to create an environment where all employees can excel.”



## 5-2. Promoting Women in the Workplace

Sojitz positions the promotion of women in the workplace as one of the most important goals under its human resources strategy. For this reason, Sojitz’s president and senior management have continued to emphasize the message of diversity and inclusion to lead the way in fostering greater understanding among employees, including among managers.

### ■ List of Systems Supporting Diverse Human Resources

|   |   |   |
|---|---|---|
| <b>Empowerment of female employees</b>            | <ul style="list-style-type: none"> <li>• Career talk sessions by female outside directors and roundtable discussions with female executive officers</li> <li>• Mentor programs to female career track employees provided by the senior management</li> <li>• External trainings for female career track employees and managers with secondment experience in and outside Japan</li> <li>• Improvement of the percentage of young female career track employees</li> <li>• Cross-industry networking (exchange of views with female career track employees in other industries)</li> </ul> | <ul style="list-style-type: none"> <li>• IkuBoss (supervisors having a great understanding of child-rearing/unconscious bias training)</li> <li>• Cafeteria training for administrative employees to develop skills</li> <li>• Position transfer system (region, position and field-specific career track employees)</li> </ul> <p>etc.</p>   |
| <b>Work-life balance support</b>                  | <ul style="list-style-type: none"> <li>• Pre-maternity meetings, meetings with supervisors, pre/post-returning meetings</li> <li>• Support for early return to work after leave, shorter workhour system</li> <li>• Support for using preschools located near Company facilities</li> <li>• Aid for using baby sitting services</li> <li>• Seminar for supporting reinstatement</li> <li>• Childcare concierge, childcare handbook</li> </ul>   | <ul style="list-style-type: none"> <li>• Parental leave system, childcare leave system</li> <li>• Family-care leave, family support leave</li> <li>• Care-giving leave, nursing care leave, shorter workhour system</li> <li>• Rehiring systems for employees who have left the company for family care</li> <li>• Reemployment system following a spouse’s job transfer</li> </ul> <p>etc.</p> |
| <b>Health support</b>                             | <ul style="list-style-type: none"> <li>• Regular health checkups, lifestyle disease screening, cancer screening</li> <li>• Cervical cancer and breast cancer screenings for all female employees</li> <li>• Individual consultations with industrial psychiatrists, stress assessments</li> <li>• Healthcare (massage) rooms</li> </ul>   | <ul style="list-style-type: none"> <li>• Gynecologist in health care room, in-house fertility consultation service</li> <li>• Coupons for gynecology checkups and fertility treatment</li> <li>• Support for advanced cancer therapy</li> <li>• Introduction of health management system</li> </ul> <p>etc.</p>   |
| <b>Workstyle reforms</b>                          | <ul style="list-style-type: none"> <li>• Curtailing long working hours</li> <li>• Encouraging the use of paid leave</li> <li>• Special leave for long-term employees</li> </ul>   | <ul style="list-style-type: none"> <li>• Super flex system, elimination of core working hours</li> <li>• Teleworking systems</li> <li>• IT-driven efficient operation</li> </ul> <p>etc.</p>  |
| <b>Human resource evaluations and development</b> | <ul style="list-style-type: none"> <li>• Evaluation encouraging taking on challenges</li> <li>• Training for evaluators</li> <li>• Performance-linked bonuses</li> <li>• 360-degree surveys</li> <li>• Engagement surveys</li> </ul>  | <ul style="list-style-type: none"> <li>• Training of career support for subordinates</li> <li>• Career design training</li> <li>• Recurrent education support system</li> <li>• Leadership training</li> <li>• Instructor/mentor system</li> </ul> <p>etc.</p>  |
| <b>Recruitment and assignment</b>                 | <ul style="list-style-type: none"> <li>• Recruitment of new graduates, mid-career hires and persons with disabilities, rehiring after reaching retirement age</li> <li>• Sojitz Shared Service (Special Sojitz Subsidiary) based on the Law for Employment/Promotion of Persons with Disabilities</li> </ul>  | <ul style="list-style-type: none"> <li>• Domestic/overseas secondment</li> <li>• Internal recruitment system</li> <li>• Job rotation system</li> </ul> <p>etc.</p>  |

## ■ Building a Leadership Pipeline with Women at Each Career Stage

### Professional Development for Managerial Roles

Sojitz has maintained a female new graduate recruitment ratio of 30% or more for career-track positions since FY2018, which is one of the company's quantitative targets for promoting women in the workplace. To develop female managers, Sojitz is constructing a leadership pipeline and provides opportunities for female employees to gain experience outside the company in Japan or overseas early in their careers prior to major life events. Sojitz offers trainings for women at each career stage and is actively working to increase the number of female employees promoted to managerial positions. As of the end of FY2023, female employees accounted for 12% of all section managers.

### Initiatives for Junior Employees

Since FY2021, Sojitz has offered a mentorship program led by senior management geared towards female career-track employees in their late 20s and early 30s, who will be in the next generation of managers to lead the company a decade from now. Mentors support female career-track employees in clarifying their personal career goals and developing a vision for the future, with the aim of raising greater awareness of professional development opportunities for women.

### Initiatives for Assistant Managers: Pre-Manager Training Program

Since September 2019, Sojitz has held a three-month career training program for female career-track employees in assistant manager positions that includes coaching and discussions with managers and executives, as part of its efforts to support the promotion of women to section manager and general manager positions.

### Initiatives for Managers: Outside Trainings for Managers

As a way to strengthen management capabilities, Sojitz sends managers to business school executive training programs in addition to outside management experience through executive officer appointments at Sojitz Group companies. Sojitz also appointed its first female executive officer through internal promotion in April 2021. A second female executive officer was appointed through external recruitment in December 2021, bringing the total number of female executive officers to two. As of June 2024, Sojitz has appointed a total of three female executive officers (two appointed through internal promotion, one appointed as a director and senior managing executive officer).

## ■ Other Initiatives

### Career Talks with Outside Directors



Talks with outside directors  
on women's careers

In FY2022, Sojitz hosted a total of three career talks with outside directors to reinforce the company's theme of transforming diversity into competitiveness and to build an environment in which all employees can excel, regardless of gender. Speakers included three female outside directors who shared their career trajectories, values as business professionals, and perspectives on Sojitz as outside directors, among other topics.

## Roundtable Discussions with Externally Appointed Female Executive Officers



Small roundtable discussions  
with executive officers

In FY2022, Sojitz hosted a total of six roundtable discussions with externally appointed female executive officers. The discussions provided attendees with advice and insights from the senior managing executive's past career experiences, while also allowing the employees to gain new perspectives and broaden their outlook. The roundtables were made up of small panels with participation from several male COOs for an animated exchange of opinions.

## Roundtable Discussion with Female Executive Officers



Roundtable discussion with female  
executive officers. Sojitz President  
Kosuke Uemura also attended,  
enthusiastically encouraging the female  
employees to take on new challenges

In FY2024, Sojitz held a roundtable discussion hosted by female executive officers as part of efforts to foster the development of highly motivated employees who take on new challenges and pursue growth. The event was targeted to female career-track employees who are potential managerial candidates, and the executives joined in discussing a range of topics including balancing career goals with major life events.

## Sharing Career Experiences



Sojitz provides multiple opportunities for employees to consider their future career paths through joint discussions, and these discussions aim to help employees pursue value creation while respecting the diversity of their fellow employees. Sojitz held a seminar for female employees to gain career insights from fellow female employees who have worked on assignment overseas accompanied by their children. The company has also organized programs with female employees in management roles to speak about their life and careers.

## Career Paths for Administrative-Track Employees

In order to meet the needs of our employees as they plan their career paths and encourage the success of our administrative staff, we revised our human resource system in FY2019 to include a new upper tier of job grades for administrative staff as well as a new region, position, and field-specific career track. A number of administrative track employees have already transferred to the career track and are beginning to leverage their expertise and expand their opportunities to excel at Sojitz.

In FY2021, we also revised our human resource system in order to allow administrative-track employees to leverage their skills and experience and transfer to the career track that is region, position, and field-specific at an earlier stage, for those employees seeking to take on new challenges through the career track. Sojitz hopes to expand opportunities for administrative-track employees by providing career counseling and other educational programs that encourage employees to pursue diverse career paths.

## Success of Female Employees in New Business Areas

As a result of proactively hiring, developing, and promoting women throughout the company, Sojitz Group has seen numerous cases of female employees achieving success in new business areas. Notable examples include Sojitz's establishment of a joint venture company in Japan with ROYAL HOLDINGS Co., Ltd. to operate and expand the café business. A female employee was appointed as president of the joint venture and leads its business operations. In addition, Sojitz established a joint venture with Vietnam Dairy Products JSC, a major Vietnamese dairy product manufacturing company. Employees with diverse career backgrounds and nationalities collaborated on the launch, and one female team member from Sojitz HQ on assignment in Vietnam was selected to serve as the sales and marketing manager and is working to develop new sales channels in the country.

### ■ Women's Health Initiatives

Sojitz maintains its record of having 100% of employees participate in the annual health check and actively encourages employees to attend any recommended follow-up appointments. In FY2022, Sojitz expanded eligibility for routine cervical and breast cancer screenings to all female employees and strengthened its efforts to support women's health. In addition, Sojitz added a dedicated gynecologist at its health clinic and offers fertility treatment consultation services. Employees can now take online seminars by doctors and specialists and receive fertility counseling services for themselves and their partners, which will be offered through a contracted outside company. The company also invites medical specialists to hold seminars on maintaining good health including self-care techniques to reduce health risks specific to women and address physical changes due to aging.

### Read more

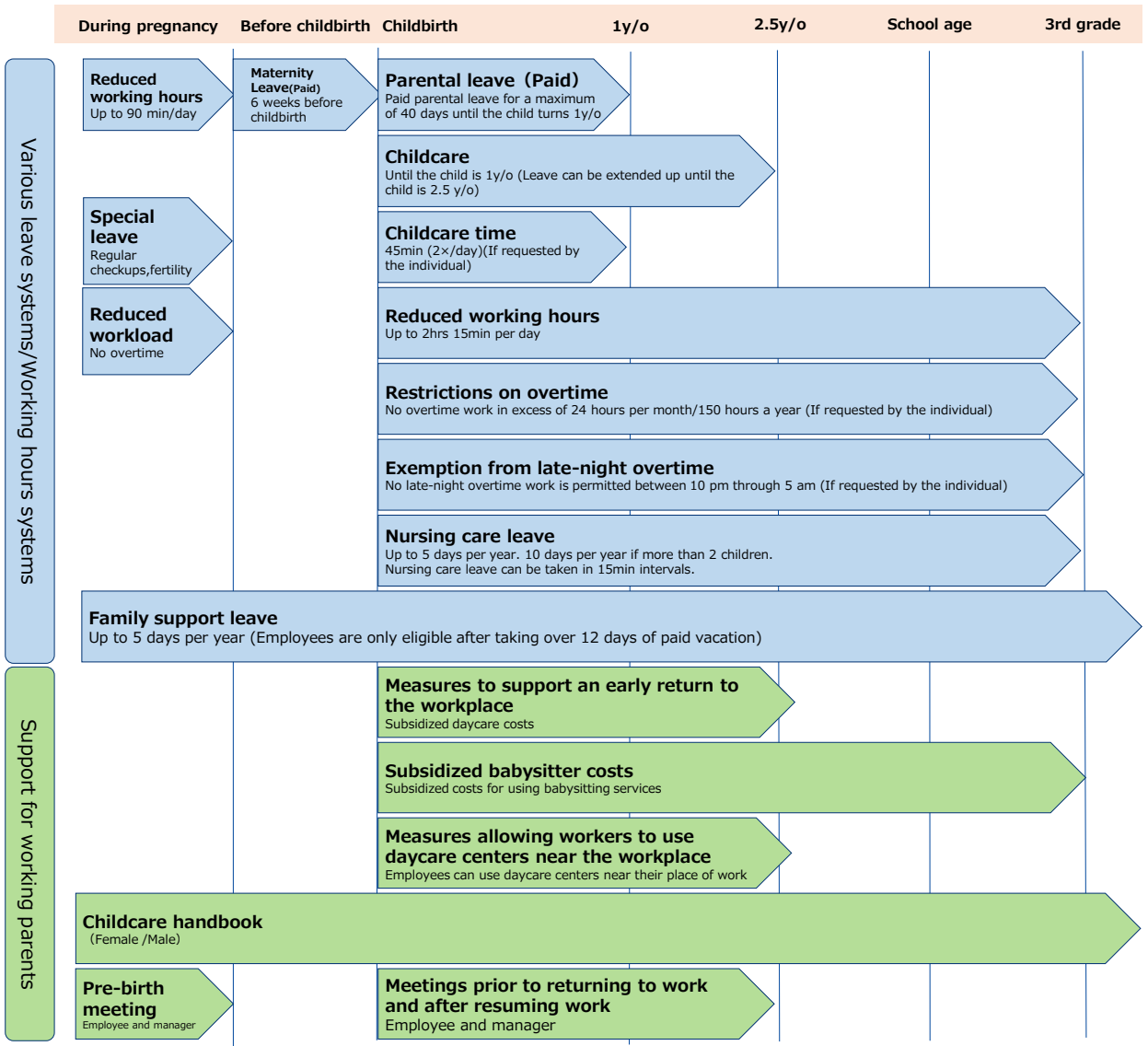
> [Health and Safety](#)

## 5-3. Systems for Supporting Working Parents

Sojitz believes that employees should have the freedom to pursue their careers even as they navigate major life events and aims to create an environment that supports all employees, regardless of gender, as they balance work and childcare.

At Sojitz, employees are authorized to take six weeks of paid leave leading up to the birth of a child. Beginning in April 2022, Sojitz also amended its existing parental leave system to include a new type of leave available to both male and female employees following the birth of a child. After childbirth, both male and female employees are entitled to take paid parental leave for a maximum of 40 days (standard working days) in the period up until the child turns 12 months old. There are no restrictions on how leave is divided, and employees are free to utilize parental leave as many times as desired during this period. While employees in Japan are legally permitted to take six weeks of unpaid parental leave prior to childbirth and eight weeks following childbirth, Sojitz's specialized system ensures that employees are compensated throughout their time on parental leave. In the event that the child is not accepted into a daycare and the employee cannot return to work, parents have the option to extend childcare leave until the child is two-and-a-half years of age.

This extension largely exceeds the duration for childcare leave under Japanese law. In order to make it easier for employees to return to work, we have a corporate contract with a local preschool near Sojitz office for employees whose children could not be admitted to their neighborhood daycare. Sojitz also offers employees the option to use a babysitting service subsidized by the company. As of FY2024, the subsidy has been expanded to cover sick child daycare services.



### Flexible Work Styles

Sojitz has a flextime system that eliminates core working hours and allows employees to work anytime between the hours of 7 a.m. and 8 p.m. Employees working reduced hours under Sojitz’s system for childcare hours are also eligible for the flextime system. Sojitz introduced a company-wide telework system in January 2020, and the company is taking steps to provide a flexible work environment for working parents.

### System for Supporting Women Returning to the Workplace

In October 2019, Sojitz implemented a new system to support women returning to the workplace. Under this measure, employees who return to work after taking maternity/childcare leave (by the 1st of the month after the child turns 9 months) will be eligible for subsidized daycare. This system helps support women who want to return to the workplace more quickly, as well as incentivizes and encourages women striving to build their careers.

## ■ Reemployment System

Sojitz has introduced a reemployment system for employees who accompany spouses transferred overseas, thus allowing these employees to resume their careers when they return to Japan.

## ■ Childcare Leave for Male Employees



Digital signage introducing examples of male employees who have taken childcare leave

In April 2022, Sojitz revised its parental leave system to allow both male and female employees to take leave following the birth of a child. Employees are now entitled to take paid parental leave for a maximum of 40 days in the period up until the child turns 12 months old. There are no restrictions on how leave is divided, and employees are free to utilize parental leave as many times as desired during this period. While maternity and child-care leave was limited to eight weeks after childbirth under the previous system, the applicable period under the new system will be extended to one year following childbirth.

In recent years, Sojitz has increased accessibility to leave policies and conducted management-level training related to child-care leave. As a result of these initiatives, the percentage of male employees who took childcare leave has reached 100% for two consecutive years, in FY2023 and FY2024.



Panel discussion at general manager training

We have seen an increase in male employees taking longer periods for child-care leave and greater usage of the company's systems for supporting working parents. While Sojitz has previously worked to raise awareness regarding child-care leave within the company and to foster understanding among managers and fellow employees, Sojitz has now entered the phase in which it will focus on supporting working parents returning from child-care leave. Sojitz has set a new goal to establish a new index within the employee engagement survey that measures employees' perception of the company's support in their efforts to balance work and childcare. This new index will measure employees' understanding of flexible working styles and how easily employees feel they can apply for the company's systems for supporting working parents. In FY2023, 66% of employees provided positive feedback on the employee engagement survey, and Sojitz aims to reach over 70% positive responses in FY2026.



Roundtable discussion on male childcare leave

## ■ Support for Employees on Childcare Leave

Sojitz has created a handbook on balancing work and childcare that is distributed to employees with children and their managers. The handbook introduces the company's systems to support working parents and details all processes for maternity leave, childcare leave, and returning to the workplace. Sojitz also holds a Welcome Back Program that helps employees on childcare leave prepare for their return and interact with fellow employees.

Additionally, Sojitz works with an outside expert who acts as a childcare concierge for employees returning to work after childcare leave. The childcare expert provides advice on topics such as how to search for preschools and how to balance work with childcare.

## 5-4. Balancing Work and Caregiving

Sojitz helps employees to successfully balance their work obligations while providing care for family members through company human resource systems and a supportive work environment.

The main initiatives include caregiving leave, extended caregiving leave that employees can take multiple times, reduced working hours for caregivers, and a rehiring system for employees who have left the company to care for family members. In addition, Sojitz has introduced a remote caregiving support program.

In terms of employee education, Sojitz informs employees about the caregiving leave system and provides information about the caregiving insurance system on the company intranet. Furthermore, Sojitz has set up a caregiving support email service, and we regularly hold seminars to discuss balancing work and family care and conduct individual caregiving consultations with employees.

In terms of enabling flexible work styles, Sojitz has implemented a telework system throughout the company in addition to the flextime system.

### ■ Seminars on Balancing Work and Caregiving

As a way to support employees who must provide caregiving for an undetermined amount of time, Sojitz holds seminars that provide employees with an opportunity to consult with long-term care support specialists (care managers) who can advise them on how to utilize vacation and long-term leave for caregiving so that they proactively manage their time in order to balance work and care responsibilities.

In addition, after the seminar, an individual consultation meeting is provided in which specialist care workers offer advice tailored to the individual caregiving requirements of each employee.

### ■ Support System for Family Remaining in Japan during Overseas Assignment

In order to alleviate the burden on family members remaining in Japan when an employee is posted overseas and unaccompanied by his or her family, Sojitz provides access to subsidized housekeeping services, caregiving support, and childcare support services within a scope that is determined by the company.

## 5-5. Employees Nearing Retirement Age

Employees nearing retirement age possess a wealth of experiences and skills, as well as an awareness and sense of values about different working styles. Sojitz is working to promote the advancement and success of these employees. Sojitz strives to support the success of employees nearing retirement age and leverages their skills and expertise through its post-retirement rehiring system and reemployment support system.

### ■ Rehiring System

Sojitz has a mandatory retirement age of 60, however we offer continued employment for persons over 60 years of age in accordance with the Act for Stabilization of Employment of Older Persons.

Given that staff nearing retirement age have a deep understanding and nuanced set of values regarding various working styles, in April 2019 we created a new job grade for rehired individuals in order to promote their success. This new system was revised such that the employment conditions and evaluations of rehired employees are based on their assigned mission and their expected role with an emphasis on educating less-experienced staff.

## ■ Recurrent Education Support System

As we enter an era of 100-year lifespans, employees must enrich their extended working life by thinking proactively about their careers, continuing to educate themselves, and striving to increase the value they contribute as individuals.

Upon taking stock of career milestones and future goals, an employee may determine that they require recurrent education. Sojitz provides subsidies and extended leave to those mid-career employees seeking further education.

## ■ Sojitz Professional Share Co., Ltd.

Sojitz Professional Share Co., Ltd., is a platform supporting the diverse careers and life plans of employees over the age of 35. This company allows employees to work until the age of 70, with no restrictions on workplace or time, and authorizes side businesses and entrepreneurial ventures to support every employee in making ongoing contributions through new career paths.

## 5-6. Opportunities for Locally Hired Employees

Sojitz aims to leverage its overseas operating companies to tap into local networks, expand Sojitz's business areas, and create new business. In order to achieve these goals, Sojitz is further increasing the number of locally hired employees holding chief officer positions at overseas operating companies. The ratio of overseas chief officer positions filled by locally hired employees was 40% at the end of FY2021, and this ratio increased to 45% by the end of FY2023. Previously, Sojitz aimed to raise this localization ratio to 50% or more by FY2025, but has since revised its target upward to 60% under Medium-term Management Plan 2026 as part of the company's efforts to further the localization process. Moreover, Sojitz aims to bolster information sharing in overseas regions in order to facilitate market-oriented initiatives, seize new business opportunities, and promote co-creation and sharing.

Outside of Japan, Sojitz has nearly 100 offices, subsidiaries, and liaison offices in locations around the globe. We set up human resource systems and training menus at each office, developing, utilizing, and promoting locally hired staff to further talent development at our overseas offices and promote business rooted in the regional economy.

## ■ Initiatives for Strengthening Recruitment and Development of Local Employees

There are approximately 1,500 total employees between Sojitz Corporation's overseas subsidiaries, branches, and liaison offices. Of the 1,500, roughly 1,200 are locally hired staff, and 36 among that group are general managers (as of April 1st, 2024).

## ■ Opportunities for Locally Hired Staff at Overseas Bases

We provide locally hired staff with opportunities to transfer to different offices within their region and between regions, as well as to the head office in Tokyo, in order to help the best Sojitz talent around the world expand business utilizing their information and networks rooted in the local community. As of FY2023, 16 people have transferred between regions or moved to Tokyo HQ, and these individuals are working to create new customers and build new business.

## ■ Developing the Next Generation of Leaders for Overseas Offices

Sojitz aims to develop local staff overseas through the Global Professional Development (GPD) and Global Next Leaders Development (GNLD) programs. The GNLD began in 2011, and the GPD in 2012. The 491 total participants thus far have included people from 36 countries, in regions including the Americas, Europe, Asia, China, Oceania, and the Middle East.

The GPD is designed to deepen employees' understanding of the Sojitz culture, with a focus on its corporate organization and history, to boost participants' loyalty and help them better understand themselves as members of Sojitz Group. It also aims to help participants obtain management skills and experience so they can utilize the full capabilities of Sojitz Group in expanding business within their regions. The GNLD, on the other hand, targets local employees overseas who are management candidates in positions higher than GPD participants. It similarly focuses on deepening understanding of

Sojitz's culture, its corporate organizations and business divisions, and its history, but is also aimed at developing participants into leaders who can network with participants from different regions and business areas to generate create synergy throughout Sojitz Group, as well as take a company-wide perspective in creating "New way, New value." From FY2020, the sessions have been conducted online due to the COVID-19 pandemic. Approximately 100 participants from 22 countries in Asia, Europe, the Middle East, and China have participated thus far. In addition to this Sojitz is offering other online training programs, including the Sojitz Orientation Program, Negotiation Training and Leadership Training. To date, 200 people have participated in these courses. In the future we will continue to provide further training opportunities.

## 5-7. Employment and Support for Persons with Disabilities

As part of its diversity management program, Sojitz is committed to employing persons with disabilities. We also seek to create an environment that supports the success of our employees working with disabilities.

### ■ Increasing Employment of Persons with Disabilities

As of the end of March 2024, the employment rate of persons with disabilities at Sojitz was 2.63% (exceeding the legal requirement of 2.30%). We believe that creating a supportive environment will be instrumental to hiring and retaining more persons with disabilities. In order to further expand employment, Sojitz partners with Sojitz Shared Service (recognized under Japanese law as a special subsidiary of the company in 2012) to create an environment that helps employees—each with different disabilities, skills, experiences, and career plans—be placed in a well-suited post and perform at the highest level.

Sojitz is also working to build awareness and understanding of persons with disabilities through policies deliberated across multiple related departments, as well as through the blind soccer simulation program.\*

\* Sojitz concluded a partnership agreement with Japan Blind Football Association (JBFA) to provide support for its blind soccer activities and "Spo-iku" program.

### ■ Opportunities for Employees with Disabilities: Sojitz Shared Service (Special Sojitz Subsidiary)

Sojitz Shared Service is a special Sojitz subsidiary established in accordance with the Act to Facilitate the Employment of Persons with Disabilities. Many employees with disabilities are exercising their full potential through their work at Sojitz Shared Service.

Sojitz Shared Service primarily handles general affairs-related work for Sojitz Corporation and Sojitz Group companies, as well as select human resource-related duties. The company's general affairs-related work includes managing a document center (making business cards and printing and binding documents) and operating the Health Care Room, where it offers massage services by a licensed professional and creates videos on self-care techniques. Sojitz Shared Service disinfects office doorknobs and surfaces, manages office hand sanitizer, cleans printers and replenishes paper supplies, manages visitor cards and taxi tickets, and orders rubber stamps and other stationery goods. The company also handles mail services, document storage, and support for employees moving overseas (storage of employee belongings while on assignment).

In addition to Sojitz Shared Service's general affairs-related services, the company also proactively provides HR-related services including support for the operation of Sojitz Group trainings and payroll-related duties. Sojitz Shared Service will continue to expand its scope and provide its employees with further opportunities for success.

Sojitz Shared Service works to offer a comprehensive support system that enables each employee to enjoy a long career in a welcoming environment. The company employs qualified professionals with specialized knowledge who give employees guidance on their work tasks and offer mental health support. In an effort to support employees' career development, Sojitz Shared Service is pursuing initiatives including sending employees on internships and assignments to Sojitz Corporation, strengthening communication between Sojitz Shared Service and Sojitz employees, and fostering a culture of diversity at the company. Moving forward, the company also aims to support the employment and retention of people with disabilities at Sojitz Group companies. Through these initiatives, Sojitz Shared Service is striving to create a supportive, flexible work environment in which every employee can fully exercise their unique abilities.

### Company history as a special Sojitz subsidiary

March 2012 Sojitz Business Support Corporation established in accordance with the Act to Facilitate the Employment of Persons with Disabilities

April 2018 Establishment of Osaka office

July 2022 Merger with Sojitz Shared Service Corporation

## ■ Barrier-Free Facilities

Sojitz's working spaces have been built with consideration for employees with disabilities. Accessible toilets are installed on every floor. On floors where visually impaired employees work, Sojitz replaced dark brown carpeting with a bright ivory color based on guidance from visually impaired employees. Moving forward, Sojitz will continue to incorporate the ideas and opinions of disabled employees as it creates a work environment that is comfortable and accommodating for all employees.

### Working from Home



Due to illness, I became unable to commute, so I left my sales job with an IT company. I was introduced to a job I could do at home for Sojitz through a support group. My work consists of information-gathering about hiring and diversity and maintaining Sojitz's internal website on these topics. I work four days a week in a home office that Sojitz readied for me, and I feel grateful and motivated in my work.

Yoshiyuki Kunishige  
Human Resources Dept., HR Recruitment Sect.

## 5-8. LGBTQ

Sojitz is working to create a work environment where diverse employees can excel, regardless of their sexual orientations or gender identities. Sojitz strives to encourage the independence of employees and further foster a company culture in which all employees, regardless of gender, are able to excel. Sojitz promotes gender equality, including understanding of issues facing LGBTQ employees and members of sexual minorities.

Sojitz's Working Regulations prohibit harassment relating to sexual orientation or gender identity. Both the Sojitz Group Code of Conduct and Ethics and Sojitz Group Human Rights Policy clearly state Sojitz's respect for diversity, including race, nationality, gender, age, mental and physical disability, and sexual orientation.

## ■ Trainings and Seminars

Prior to assignment overseas, we inform employees of points of caution with regards to differences in LGBTQ-related legal systems in other countries. In FY2023, we launched an e-learning course to promote awareness and understanding of LGBTQ-related issues. The course is mandatory for all managers. We also hold occasional LGBTQ-related seminars and events to deepen awareness throughout the company so that all employees can excel, regardless of their sexual orientations or gender identities. The Sojitz Labor Union also holds seminars to deepen employees' understanding of LGBTQ issues.

## ■ Consultation Desk

Sojitz provides a consultation desk for LGBTQ inquiries. Minority group members and their colleagues are able to contact the consultation desk anonymously. In-house inquiries related to LGBTQ matters are handled by a dedicated diversity team, and external experts and organizations are consulted as necessary.

## 5-9. Supporting Diverse Families

Sojitz strives to create a welcoming work environment where all employees can excel. In October 2023, Sojitz updated its human resource system to grant LGBTQ employees and employees in common-law marriages access to the same company benefits provided to employees in legal marriages.

## 6. External Evaluations

### 6-1. Promoting Work-Life Management

#### ■ Platinum Kurumin Certification



Sojitz offers various support systems for work-life management, enabling employees to balance work with childcare and caregiving for family members.

In August 2021, Sojitz received "Platinum Kurumin" certification from the Ministry of Health, Labour and Welfare. Kurumin certification recognizes companies with excellent childcare support policies that meet the specified requirements for certification and that have achieved the targets set out in their General Employer Action Plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children. As a recipient of Kurumin certification for four consecutive years since 2010, Sojitz is proud to announce that it has been awarded "Platinum Kurumin" certification, which recognizes outstanding companies that meet higher standards in supporting employees to balance work and childcare. Sojitz has also obtained "Platinum Kurumin Plus" certification awarded from December 2022 to companies that have raised awareness internally and implemented policies and systems for employees to balance work while undergoing fertility treatment.

#### ■ Nadeshiko Brand



Based on Sojitz's various efforts for empowering women in the workplace, the company was named a "Nadeshiko Brand 2023" company in March 2023, a designation given by METI and the TSE that recognizes Sojitz as a listed enterprise for its exceptional work to promote the success of women in the workplace. This marks the eighth time that Sojitz has received the "Nadeshiko Brand" designation.

#### ■ Encouragement Award at the Ikumen Enterprise Awards

In November 2020, Sojitz received an Encouragement Award in the Ikumen Enterprise Awards 2020 organized by the Ministry of Health, Labour, and Welfare. The Ikumen Enterprise Award recognizes companies who are making an exceptional effort to encourage male employees to participate in child rearing while also carrying out their job responsibilities.

#### Read more

> [External link: Ikumen Enterprise Awards \(Japanese\)](#)

## 7. Performance

### 7-1. Promoting Women in the Workplace

#### ■ Related Data

##### Percentage of female employees hired

|  | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--|--------|--------|--------|--------|--------|
| New female graduate hires<br>(career track and administrative track) | 49.0%  | 45.4%  | 56.7%  | 46.2%  | 51.6%  |
| New female graduate hires<br>(career track)                          | 34.1%  | 31.9%  | 42.6%  | 33.7%  | 41.7%  |
| Mid-career hires   | 53.3%  | 34.3%  | 22.5%  | 37.0%  | 35.7%  |

##### Women in managerial positions

|                        | FY2020              | FY2021              | FY2022              | FY2023              | FY2024              |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Managers               | 954 men<br>54 women | 915 men<br>57 women | 884 men<br>57 women | 852 men<br>58 women | 827 men<br>60 women |
| Percentage women       | 5.4%                | 5.9%                | 6.1%                | 6.4%                | 6.8%                |
| General Manager-Level  | 176 men<br>2 women  | 154 men<br>2 women  | 146 men<br>4 women  | 146 men<br>3 women  | 163 men<br>5 women  |
| Section Manager-Level  | 778 men<br>52 women | 761 men<br>55 women | 737 men<br>53 women | 704 men<br>55 women | 664 men<br>55 women |
| Number of New Managers | 35 men<br>9 women   | 33 men<br>4 women   | 39 men<br>4 women   | 37 men<br>6 women   | 40 men<br>7 women   |

##### Women in assistant manager positions

|   | FY2020              | FY2021              | FY2022              | FY2023              | FY2024              |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Percentage of Women in<br>Assistant Manager Positions | 284 men<br>38 women | 287 men<br>39 women | 281 men<br>46 women | 291 men<br>54 women | 312 men<br>63 women |

##### Gender-based wage gaps

|                                     | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|-------------------------------------|--------|--------|--------|--------|--------|
| All employees                       | 55.4%  | 58.6%  | 57.3%  | 58.2%  | 59.2%  |
| Regular employees                   | 56.3%  | 58.8%  | 58.0%  | 58.6%  | 59.4%  |
| Regular employees<br>(career track) | 67.7%  | 72.0%  | 70.1%  | 70.3%  | 70.9%  |
| Non-regular employees               | 50.2%  | 57.6%  | 52.0%  | 61.4%  | 54.8%  |

**Read more**

> [Other related data](#)

- Percentage of women employees
- Percentage of women management-level employees
- Percentage of women hired
- Difference between men and women in years of continuous employee service
- Percentage of female directors

> [Independent assurance report on women in the workplace](#)

**■ Male employees taking childcare leave**

|  | FY2020    | FY2021    | FY2022    | FY2023    | FY2024    |
|--|-----------|-----------|-----------|-----------|-----------|
| Percentage of male employees taking childcare leave            | 55.6%     | 83.3%     | 100.0%    | 100.0%    | 100.0%    |
| Average number of childcare leave days taken by male employees | 17.2 days | 26.5 days | 38.8 days | 34.3 days | 33.4 days |

**■ Employees rehired through the reemployment system following a spouse's work transfer**

|                             | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|-----------------------------|--------|--------|--------|--------|--------|
| Number of rehired employees | 5      | 2      | 0      | 4      | 8      |

**7-2. Balancing Work and Caregiving****■ Number of employees taking leave for caregiving**

|                      | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|----------------------|--------|--------|--------|--------|--------|
| Total number of days | 109    | 72     | 96     | 194    | 121    |
| Number of employees  | 30     | 23     | 35     | 36     | 44     |

**7-3. Employees Nearing Retirement Age****■ Rehired individuals**

|   | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|---|--------|--------|--------|--------|--------|
| Employees rehired after reaching retirement age | 31     | 43     | 29     | 31     | 26     |

## 7-4. Opportunities of Locally Hired Employees

### ■ Locally-hired employees: Number of general managers

|                                | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|--------------------------------|--------|--------|--------|--------|--------|
| Locally hired general managers | 35     | 32     | 32     | 34     | 36     |

### ■ Number and percentage of foreign employees

|                             | FY2020    | FY2021    | FY2022    | FY2023    | FY2024    |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| Number of foreign employees | 80 (3.1%) | 76 (3.0%) | 79 (3.1%) | 83 (3.3%) | 82 (3.3%) |
| Total number of employees   | 2,551     | 2,558     | 2,523     | 2,513     | 2,486     |

## 7-5. Opportunities for Employees with Disabilities

### ■ Percentage of persons with disabilities hired

|                 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|-----------------|--------|--------|--------|--------|--------|
| Number of hires | 63     | 66     | 72     | 72     | 73     |
| Percentage      | 2.25%  | 2.39%  | 2.60%  | 2.63%  | 2.61%  |

### Read more

> [Social Data](#)

# Labor Practices

## 1. Policy and Basic Approach

### 1-1. Respect for Human Rights

As a general trading company developing business around the world, Sojitz is involved in a wide variety of supply chains in various industries. Accordingly, one of the biggest challenges for Sojitz Group is working together with Group companies and suppliers to reduce environmental and social (human rights) risk within our supply chains.

Sojitz has established the Sojitz Group Human Rights Policy in an effort to address the Key Sustainability Issue (Materiality) of "Respect the human rights of people involved in our businesses." Sojitz Group upholds the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, acts in accordance with the United Nations Guiding Principles on Business and Human Rights, and implements initiatives for maintaining respect for human rights within our business operations.

### 1-2. Sojitz Group Human Rights Policy

#### 1. Our Commitment to Respect Human Rights

The Sojitz Group strives to create value and prosperity by connecting the world with a spirit of integrity. We believe that respect for human rights is an integral foundation for creating what we call "Two Types of Value"—value for both our company and society—and for meeting the expectations of our stakeholders.

As a general trading company, the Sojitz Group buys, sells, and trades goods from all over the world, provides manufacturing and sales services for a wide range of products, plans and coordinates various projects, invests in a multitude of business fields and conducts financial activities. In undertaking these business activities, we recognize our responsibility to avoid causing or contributing to adverse human rights impacts and to seek to prevent or mitigate adverse impacts to which we are directly linked. We commit to respecting human rights as set out in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and to carry out our business in accordance with the United Nations Guiding Principles on Business and Human Rights.

#### 2. Our People

The Sojitz Group—in accordance with international human rights standards as well as its Group Statement—is committed to promoting, among the executives, staff and employees of Sojitz Group, the prohibition of discrimination, respect for diversity (including with respect to race, nationality, ethnic origin, beliefs, gender, social status, religion, age, mental and physical disability, and sexual orientation), as well as responsible labor practices including prohibition of child or forced labor, prevention of corruption, provision of a safe labor environment, payment of minimum wage and ensuring appropriate working hours. The Group supports freedom of association and the right to collective bargaining.

### 3. Conducting Human Rights Due Diligence

The Sojitz Group is committed to assessing actual and potential adverse impacts on the human rights of our stakeholders in accordance with the United Nations Guiding Principles on Business and Human Rights. We will strive to prevent, mitigate and account for adverse impacts. Where it is necessary to prioritize our actions, we will prioritize action to address the most salient potential risks to our stakeholders.

The Sojitz Group shall comply with local laws and regulations in conducting its business activities. Where laws or regulations in a country conflict with international human rights norms, the Group will seek ways to honor international human rights standards. In making decisions on responses to be taken, we will seek opinions from credible third parties.

The Sojitz Group recognizes the importance of dialogue with our employees, workers and external stakeholders who are or could potentially be affected by our actions, and we are committed to engaging in such dialogue with stakeholders on human rights issues related to our business.

### 4. Specific Issues

**Indigenous peoples:** When undertaking business activities in areas in which indigenous peoples reside, the Sojitz Group will acknowledge the unique culture and history of indigenous peoples and show consideration for their rights as set out in both local and national laws as well as in international standards such as the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention No. 169.

**Employment of security companies:** To avoid complicity in human rights abuses committed by security providers, the Sojitz Group supports the Voluntary Principles on Security and Human Rights (VPSHR), which guide companies in how to operate within a framework that ensures respect for human rights and fundamental freedoms.

### 5. Our Business Partners

The business activities of the Sojitz Group are possible due to the cooperation of various stakeholders including suppliers and other business partners. For the Group to meet our responsibility to respect human rights, their understanding and cooperation are indispensable. The Sojitz Group is committed to working with and encouraging our business partners to uphold the principles in this Policy.

In the event that we identify an alleged human rights abuse outside of the Sojitz Group but linked to our business activities, including in our suppliers and other business partners, upon confirming the situation the Group will ask relevant parties such as suppliers and other business partners to take measures to address the human rights issues.

**Note:** For further information on our expectations of our suppliers and other business partners, including our policy concerning cases of material breach, see the Sojitz Group CSR Action Guidelines for Supply Chains.

## 1-3. Harassment Prevention under Sojitz Group's Compliance Program

As required by the Equal Employment Opportunity Act, Sojitz has established a system for maintaining a positive work environment and preventing all types of harassment, including power harassment, sexual harassment, and harassment related to pregnancy, childbirth, and childcare and family care leave. Sojitz also conducts trainings and takes various steps to implement this system. Based on action plans formulated by the Compliance Committee, Sojitz will continue to provide Group companies with counsel on methods for preventing compliance issues from reoccurring, and offers assistance and guidance on implementing the Sojitz Group Code of Conduct and Ethics.

## 1-4. Labor Standards and Work Environments

### ■ Basic Approach to Human Resources

Sojitz Group's growth depends on its employees. We want to make Sojitz a rewarding company to work for and to create fulfilling workplace environments that support a diversity of people and work styles. Accordingly, we have established human resource systems and workplace environments that enable all employees to utilize their talents.

#### 1. Policy on Work Style Reforms and Productivity Enhancement

At Sojitz, we believe that maximizing the capabilities of our employees is essential to driving sustainable growth. We have positioned work style reforms as a major policy initiative of Medium-term Management Plan 2020, and have strived to improve efficiency and productivity in our operations.

#### 2. Policy on Employee and Labor Relations

Sojitz respects workers' rights, including the right to free association and the right to collective bargaining. We continuously monitor relations between the labor union and management, maintaining constant dialogue with both parties to confirm whether these rights are appropriately safeguarded.

## 2. Goals and Targets

### 2-1. Policy on Work Style Reforms and Productivity Enhancement

|               |  |
|---------------|--|
| FY2026 Target | All employees use 17 days or more of paid leave throughout the year<br>(One day per month of annual leave and five days of summer holiday leave) |
|               | No employees working over 80 hours of overtime per month   |

\* The overtime limit of 80 hours per month is calculated based on Sojitz's prescribed workday length of 7 hours and 15 minutes. This limit is equivalent to approximately 65 hours per month when calculated using Japan's statutory workday length of 8 hours.

## 3. Systems

|                       |   |
|-----------------------|---|
| Executive Responsible | Shigeru Ogura (COO, Human Resources Department)   |
| Secretariat           | Human Resources Department 1<br>Important matters such as human resource systems and strategies are presented for discussion to the Management Committee. |

## 4. Initiatives

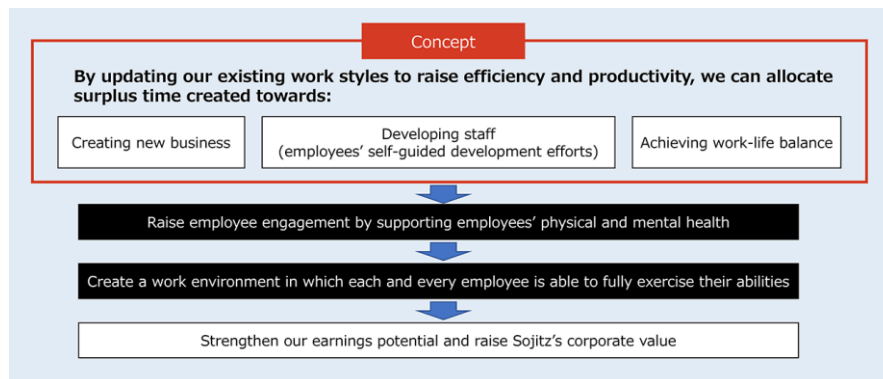
### 4-1. Addressing Modern Slavery and Human Trafficking

Sojitz is committed to preventing modern slavery and human trafficking in its supply chains and throughout its business activities. Sojitz creates its human rights policies in accordance with international human rights standards and the Sojitz Group Statement, and strives to reflect these policies in its business activities. Sojitz complies with legal requirements in countries with specific laws for preventing modern slavery and human trafficking such as the UK and Australia. Sojitz also conducts trainings and implements other measures to raise employee awareness of human rights issues throughout Sojitz Group.

### 4-2. Labor Standards and Work Environments

#### 1. Work Style Reforms and Productivity Enhancement

Sojitz is taking a number of approaches to improve the physical and mental well-being of its employees and to raise productivity. We have implemented policies to reduce overtime and increase use of annual leave as well as adopted a "super flex" system that enables flexible working styles that fit each employee's individual work requirements. In addition, we are implementing telework throughout the company and introduced new IT tools to increase efficiency. In response to the labor reforms enacted in Japan in April 2019 that set upper limits on overtime and require employees to use five days of paid annual leave, we have set our own work reform targets, improved our timesheet system to better monitor overtime hours and annual leave, and taken measures to inform staff throughout the company about the contents of these labor reforms by creating and disseminating e-learning materials.



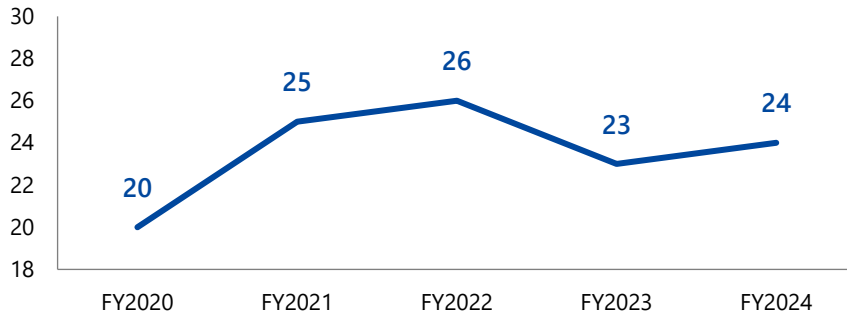
#### Curtailing Long Working Hours

We are promoting a reduction in long working hours by fundamentally prohibiting work after 8:00 p.m., and making it a goal that no employee should work more than 80 hours\* of overtime per month. As a result, the number of employees who worked more than 80 hours of average monthly overtime drastically decreased from 69 in FY2018 to 19 in FY2024.

\* The overtime limit of 80 hours per month is calculated based on Sojitz's prescribed workday length of 7 hours and 15 minutes. This limit is equivalent to approximately 65 hours per month when calculated using Japan's statutory workday length of 8 hours.

In addition, Sojitz positioned work style reforms as a key measure of Medium-term Management Plan 2020, and is continuing efforts to improve work efficiency and productivity through the reduction of overtime hours. Average monthly employee overtime hours for each fiscal year are detailed below.

Change in average monthly overtime work completed per employee (in hours)



hours/month

| FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|
| 20     | 25     | 26     | 23     | 24     |

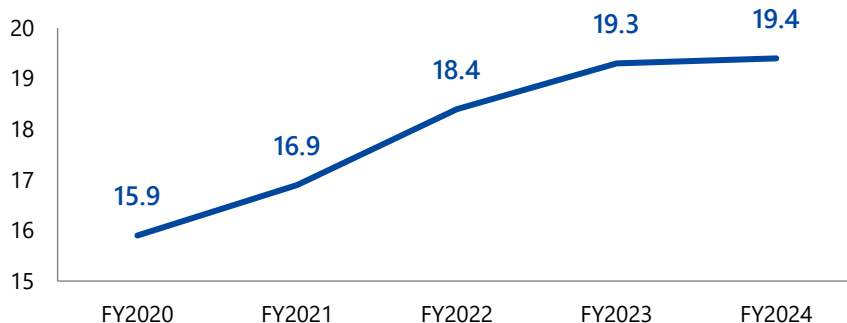
### Improving Timesheet Management

We have revamped our computerized timesheet management system, which records working time based on an employee’s computer usage time, so that supervisors can more efficiently monitor each employee’s daily overtime and receive automatic alerts from the system when an employee is in danger of exceeding the overtime limit for the month. Also, the amount of leave that employees use is now visible to their managers, making it easier for managers to communicate with staff on how to strategically manage work and schedule leave. Furthermore, when overtime work is unavoidable, such as when employees are subjected to heavy workloads during busy seasons, and their working time surpasses a designated limit, the Human Resources Department will contact the supervising manager to offer guidance for improvement, such as through better allotment of work responsibilities among staff or ways to increase efficiency.

### Encouraging the Use of Paid Leave

Sojitz offers 20 days of paid annual leave to employees from the following fiscal year after they enter the company, provided that they achieved an attendance rate of at least 80% in the preceding fiscal year. In addition, employees are given 5 days of summer leave, for a total of 25 days of paid leave per year. In FY2024, we achieved our target of employees using 17 days or more of annual leave (19.4 days). In FY2025, we will continue to promote the usage of 17 days or more (a usage rate of 68%) as an ongoing target. In addition to implementing work sharing in each Group organization to encourage employees to use leave, we have made use of annual leave a component of organization appraisals and are continuing to pursue efforts aimed at further raising leave usage among employees.

Change in average annual paid leave days taken per employee (in days)



## Special Leave for Long-term Employees

When an employee reaches their 10th, 20th, and 30th year in the company, they are awarded an extra five days of leave, and they are eligible to use this leave in conjunction with either paid annual leave or summer leave to take extended leave for a period of two weeks or less. This system affords people the time away from the office to travel to distant or hard-to-reach destinations which would otherwise be difficult to visit using the standard number of annual leave days, thus allowing them a chance to rejuvenate both physically and mentally.

## Addition of Special Leave (Family Support Leave)

For employees who have already used 12 or more days of paid annual leave, we offer five days of leave for the purposes of family support (such as for accompanying a spouse during labor, attending school functions, caring for parents, etc.) to make it easier for employees to use annual leave for household circumstances.

## Allowing Employees to Choose When and Where They Work

Core working time has been replaced by a "super flex"\* system. This new system allows employees to choose their own work times based on the specific circumstances within their organization, such as conducting business with overseas regions in different time zones. Additionally, as a work style reform, a telework system was introduced in January 2020 after undergoing a company-wide trial beginning in FY2018. As a result, we were able to respond quickly and encourage employees to utilize the flex time system or work from home in February 2020 to prevent the spread of COVID-19. Under the state of emergency, we allowed all employees to work from home in order to minimize risk and maintain business continuity. We will continue to utilize the telework system to adjust to new work styles.

\* As of November 2017, we have eliminated core time and made it possible for employees to work between the hours of 7:00 a.m. and 8:00 p.m. as best suits their personal circumstances. Furthermore, by encouraging employees to leave at least 10 hours between when they finish working for the night and start work the following day, we make consideration for our employees' health a priority as they go about their work duties.

## Building an Office that Elevates Individual and Organizational Capabilities

As part of plans to reorganize the workspaces in our Tokyo headquarters to accommodate more employees, we reviewed responses to the engagement survey sent to headquarters staff as well as the results of a separate employee survey with the aim of creating a new office concept adapted to employee workstyles. We are now reflecting this new concept in the design and facilities of Sojitz workspaces. Going forward, we will continue to offer ample spaces for communication to elevate employee productivity and provide individual booths to facilitate concentration and enhance work quality.

## Work Optimization

### Adoption of Robotic Process Automation (RPA)

Sojitz is promoting the use of IT tools to increase work efficiency and is making a company-wide shift to high value-added work. In 2018, the company introduced robotic process automation (RPA), and automating routine tasks has led to a reduction of roughly 39,000 hours of work time across the company (as of the end of March 2025). In November 2022, Sojitz launched a low-code tool development platform, the Citizen Development Program, which allows employees to develop and utilize apps for business operations. Through the program, 646 employees have received developer certification and developed 174 apps. These apps have enabled employees to reduce their workload by approximately 37,000 hours (as of May 2025). Sojitz will continue to utilize a wide range of digital technologies to increase work efficiency moving forward.

### **Leveraging Generative AI**

In addition, Sojitz is actively promoting the use of generative AI as a tool to improve operational efficiency. In February 2024, we launched Sojitz AI Chat at our Tokyo headquarters, a generative AI tool that enables the safe and secure use of internal company information. We have also appointed Generative AI Leaders in each department to accelerate the adoption of generative AI and promote the effective use of Sojitz AI Chat in daily operations. As a result of these efforts, over 70% of employees at Sojitz headquarters were using Sojitz AI Chat by the end of March 2025, contributing to enhanced efficiency and productivity across the organization.

### **Digitization of Contract and Approval Processes**

Additionally, Sojitz adopted a new company-wide electronic contract system in 2021. The company also digitized the internal process for approving accounting-related documents, and this shift has led to a reduction of a total of 74,000 work hours (as of March 2025). A large portion of Sojitz's internal applications and forms have already been digitized, and the company will continue to expand digitization moving forward.

As a result of these initiatives, we have observed a shift in employee awareness through our company-wide engagement surveys. Each year, an increasing number of employees express agreement with the statement that "Sojitz is addressing digital transformation as a company-wide priority." Sojitz remains committed to enhancing operational efficiency by leveraging a wide range of digital technologies.

Sojitz is also rethinking how to conduct meetings, which often constitute large portions of the workday, based on the results of employee engagement surveys. For example, we have made a rule requiring a 40-minute time limit for meetings in order to encourage employees to reach a conclusion and decide on the next course of action within that timeframe. This rule is posted as a message from the Human Resource Department's general manager in all the meeting rooms in the Tokyo head office and the Kansai office.

## **2. Employee and Labor Relations**

### **Sojitz Labor Union**

The Sojitz Labor Union was established in 2005 under a charter which includes a union shop clause. As of the end of FY2024, the union comprises 1,576 employees, and Sojitz's unionization rate is 59%. The union aims to create prosperity for the company, improve the economic and social standing of union members, and pursue greater benefits for company employees. The organization has a number of initiatives designed to improve communication between employees and has succeeded in creating a favorable relationship between the union and Sojitz management by ensuring respect for each side's position, conducting discussions in good faith, and sharing information as necessary.

### **Cooperation with the Labor Union**

The Sojitz Labor Union and Sojitz management discuss issues including the human resource system, salary (both in Japan and overseas), bonuses, severance pay, pensions, employee health and safety, working hours, training, and career development. Systems and policies are only implemented upon agreement by both parties. The two organizations also discuss any major reorganization which would impact employees' working conditions. At any time, employees can confirm the content of these discussions on the company intranet.

### **Dialogue between the Labor Union and Management**

To ensure that the company's management policies and vision are well understood and to share proposals from the labor union, Sojitz regularly holds briefings between the union and management. Sojitz also works to construct systems which create a motivating work environment that challenges employees to pursue professional growth and which helps employees to achieve work-life balance.

## Inspiring Communication between the Company and Employees and their Families

The labor union and Sojitz management jointly organized the "Sojitz Festival" in Tokyo in June 2022 and "Sojitz Family Day" in August 2024. In addition, the company holds a softball and bowling tournament and smaller events such as seminars on aromatherapy, cooking classes, and Pilates classes. Sojitz works to create a stronger sense of solidarity between staff by continuing to hold events which help inspire multilateral communication, not only with employees, but with their families as well.



### A Message from the Sojitz Labor Union

The Sojitz Labor Union believes that employee and company growth are both made possible when each employee takes pride in their work at Sojitz, feels the value of their efforts, and exercises their full potential. We are striving to create a work environment which enables each employee to think proactively and take on new challenges. While the values held by union members vary greatly from person to person, we at Sojitz Labor Union aim to represent all members and advise the company through extensive dialogue with management. The union aims to bring employees and management together based on mutual trust in order to build the future of Sojitz.



Full-time members of the Sojitz Labor Union

## 3. Facilities to Promote Communication

We have furnished all workspaces with equipment designed to inspire multilateral, cross-organizational communication between employees. Sojitz's in-house café (S'Café) is kept open after working hours for an informal happy hour which allows employees from all age groups and a wide variety of organizations to come together and enjoy an open and relaxed atmosphere.

### S'Café

We operate several S'Cafés within Tokyo HQ and the Sojitz branch offices in Japan that serve as social areas. The S'Cafés provide a place to relax and communicate, and employees make use of these facilities to take breaks throughout the workday, enjoy lunch, or hold a casual meeting.

### Dormitories

Sojitz seeks to ensure that its dormitories are spaces where residents can freely interact and communicate. The men's dormitories (including in Koto, Tokyo) and the women's dormitory (Shibuya, Tokyo) feature shared kitchens, fitness rooms, and lounges. These facilities foster open communication between residents. Sojitz also holds events to strengthen ties between each of the dormitories and with local communities, including social events for dormitory residents and participation in local community events.

## 5. Performance

### 5-1. Use of Annual Paid Leave

#### ■ Change in average annual paid leave days taken per employee (in days)

| FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 |
|--------|--------|--------|--------|--------|--------|
| 16.8   | 15.9   | 16.9   | 18.4   | 19.3   | 19.4   |

Read more

> [Social Data](#)

### 5-2. Curtailing Long Working Hours

Read more

> [Social Data](#)

# Health and Safety

## 1. Policy and Basic Approach

At Sojitz, we consider our employees to be our greatest asset. We believe it is our responsibility to create a safe, flexible, and rewarding work environment that promotes the mental and physical well-being of our staff and their families. Sojitz has established an emergency system for ensuring the safety of employees both in Japan and overseas in the event of an accident or natural disaster, as part of Sojitz's efforts to create a healthy and safe environment in which each and every employee is able to exercise their full potential.

### 1-1. Health Management: Sojitz Healthy Value Charter

We believe that when highly motivated employees exercise their full potential, Sojitz can expand its capabilities as an organization and fulfill its commitment to creating "value and prosperity." In March 2018, we established the Sojitz Healthy Value charter to protect and improve employee health. Various plans under this initiative are currently underway, and Sojitz will continue its efforts to strengthen health management activities at the company.

#### Our Commitment to "Sojitz Healthy Value"

- ✓ We believe that the physical and mental health of employees and a sound working environment are the keys to creating "value and prosperity," as set forth in our corporate statement.
- ✓ Sojitz Group supports the individual efforts employees and their families make towards maintaining and improving their health, striving for a work environment in which each and every employee is able to fully exercise their abilities.

### 1-2. Health Management Strategy Map

In FY2022, Sojitz created the Health Management Strategy Map for implementing health measures centered on physical health, mental health, and women's health.

> [Health Management Strategy Map \[PDF:201KB\]](#)

### 1-3. Regulations for Health and Safety Management

In accordance with the aims of the Industrial Safety and Health Law, Sojitz established its Health and Safety Policy to prevent work-related accidents and employee illness, promote health, and encourage the development of workplace infrastructure. The policy includes provisions on the Sojitz's health management structure, the Safety & Sanitation Committee, and annual health checks and stress assessments.

## 1-4. Safety Policies & Crisis Management: Sojitz Group Basic Crisis Management Policy

Sojitz, beyond its business offices in Japan, has 84 offices overseas and 337 consolidated subsidiaries (as of March 31st, 2025), with numerous employees at HQ, affiliates, and locations outside Japan.

To ensure the safety of employees and their families working in Japan and abroad, Sojitz has established the Sojitz Group Basic Crisis Management Policy. Sojitz has set a crisis management system in place for responding to natural disasters, including earthquakes and typhoons, and other unforeseen incidents in Japan and abroad such as terrorist attacks, war, crime, riots, infectious diseases, and cyber-attacks.

In strengthening our crisis management functions for natural disasters, we have also introduced resources to help employees collect information in the event of a natural disaster, take precautionary measures for unusual weather phenomenon, and quickly respond to an emergency. We have constructed a framework to quickly and efficiently confirm the safety of employees and their families by, installing a system to confirm the safety of employees at our Tokyo HQ and at Sojitz Group companies in Japan.

The basic tenets of the Sojitz Group Basic Crisis Management Policy are as follows:

1. Ensure the safety of employees and others
2. Ensure the safety of company assets and restart operations as soon as possible
3. Support stakeholders and the local community
4. Strengthen crisis response and raise crisis management awareness

The president is designated as the chief crisis management officer, and a group-wide system for crisis management in Japan and overseas is in place. In the event of a major disaster, an emergency task force headed by the president is established to respond to any crisis.

When employees are posted overseas, we provide training on safety measures, etc. in advance of their departure. Also, in cooperation with emergency medical service companies, we have a system in place to respond to emergencies such as accidents, injuries, and illnesses of overseas employees and their families.

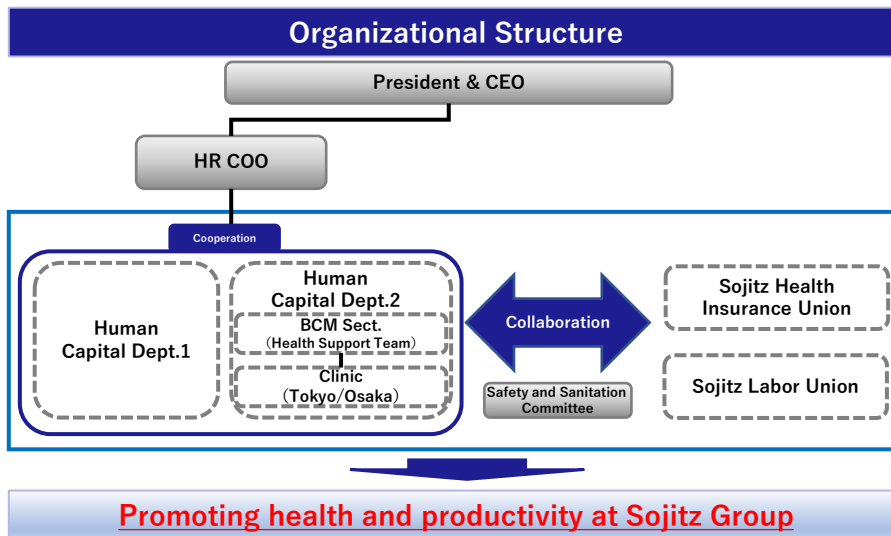
In Japan, we conduct disaster drills and safety confirmation drills in preparation for a large-scale disaster and conduct other drills necessary to protect employees and ensure business continuity in the event of an emergency.

## 2. Systems

### 2-1. Health Management

To promote and protect the health of employees, the president, as the head of occupational health and safety for the company, has created the following system through discussion and collaboration with Human Capital Department 1, Human Capital Department 2, the Sojitz Health Insurance Society, and the Sojitz Labor Union. The Business Continuity Management Section (established as part of Human Capital Department 2) plans and operates various measures to promote health and diversity management. The section works to promote health and improve productivity throughout Sojitz Group.

The structure of Sojitz's health management system is detailed below:



1. In accordance with the aims of the Industrial Safety and Health Law, which includes approaches to mental health and the prevention and reduction of stress, Sojitz has established safety and sanitation management regulations to prevent work-related accidents and employee illness, promote health, and encourage the development of workplace infrastructure. Sojitz manages employee health through the relevant departments.
2. As part of our initiatives based on these regulations, Sojitz's Safety & Sanitation Committee convenes every month to monitor health and safety activities (through reports on safety and sanitation activities, discussion of improvement plans, etc.). The results of these meetings are then posted internally for all employees to view.

The Safety & Sanitation Committee is comprised of members from Human Capital Department 1, Human Capital Department 2, occupational physicians, and members of the Sojitz Labor Union. There are 9 members at Sojitz's Tokyo headquarters (5 from Sojitz Corporation and 4 from the Sojitz Labor Union) and 6 members at Sojitz's Kansai Office (3 from Sojitz Corporation and 3 from the Sojitz Labor Union).

## ■ Organizational Structure of Human Capital Department 2 and Health Clinics

In addition to employee health management and health checkups conducted by Human Capital Department 2, both Tokyo HQ and the Kansai Office are equipped with health clinics that employ specialists in a variety of fields. Tokyo HQ has an occupational physician, occupational psychiatrist, internists (cardiology, endocrinology, gastroenterology), a gynecological specialist, and four nurses on site at all times. The Kansai Office also has an occupational physician, internist, psychiatrist, and one nurse on location. These medical professionals are on site to discuss daily health-related concerns and provide medical treatments.

## 2-2. Safety Policies and Crisis Management

Sojitz's safety framework establishes the president and CEO as bearing the highest responsibility for managing crises and provides a structure for Sojitz Group to manage crises both within and outside of Japan. Sojitz's policies also call for the establishment of a Disaster Task Force, headed by the president and CEO, as an organization to specifically handle crisis response.

When sending employees on overseas assignment, we conduct pre-training on safety measures. In addition, we have partnerships with emergency medical service companies, with a system in place to manage emergency situations faced by employees on overseas assignment and their families, including accidents, injury, and illness.

In Japan, we periodically conduct emergency drills and tests of our safety confirmation system in preparation for major disasters. These drills serve to protect employees and make it possible to continue operations in times of emergency.

## 2-3. ISO Certification of Occupational Health and Safety Management System (ISO 45001)

Select companies at Sojitz Group have acquired ISO 45001 certification.\* As of June 2024, two companies, or 1.6% of the 307 organizations including Sojitz Corporation and its consolidated subsidiaries, have acquired ISO 45001 certification.

\* Note: OHSAS18001 (Occupational Health and Safety Assessment Series) was discontinued in March 2021 and replaced with ISO 45001.

## 3. Initiatives

### 3-1. Employee Education

We educate managers on workplace health and safety measures at manager training sessions. In FY2022, this training was held for all general managers and section managers (including deputy general managers and deputy section managers). At the training, in accordance with Sojitz's work style reforms, we explained our company-wide efforts to reduce overtime (prohibiting overtime in excess of 80 hours per month for all employees, including managers), goal setting for employees' use of paid leave (set at 17 or more days annually), and other health management-related initiatives. In this way, we take every precaution to ensure that these policies are understood throughout the company and work to link them to increased productivity. In addition, we have included important targets such as reducing overtime work and increasing use of paid leave in our organizational performance evaluation.

### 3-2. Health Management

Sojitz has seen a rise in employees with adult-onset diseases in recent years, as well as an increase in employees receiving ongoing treatment for cancer or other illnesses. We are strengthening our Health Support Offices' capabilities for not only preventing illnesses and promoting health, but also enabling employees to continue working during their treatment. This is done by implementing the following policies.

#### ■ Standard Medical Checkups and Follow-ups for All Employees

All employees are provided with the opportunity to receive a standard annual medical checkup and gynecological checkup. Striving to increase this percentage, we advise employees that do not undergo a checkup at this time to receive a checkup separately at their convenience. Moving forward, we will continue to actively encourage employees to take any additional recommended medical tests in order to detect and treat illnesses early.

#### ■ Cancer Screenings

Sojitz is partnering with a well-known cancer research hospital to not only offer the usual cancer-related screenings in the health check, but also conduct examinations such as endoscopies, colonoscopies, chest CTs, and tumor marker tests. These additional screenings are held once every three years, targeting employees aged 40 years or older. In this way, we strive to detect cancer at an early stage and ensure employees are provided with the appropriate treatment. Alongside these cancer tests, we regularly hold a cancer seminar to inform employees about basic cancer information and provide them with an explanation of the exams. Sojitz provides compensation for advanced cancer treatment (recognized as advance treatment by the Ministry of Health, Labor, and Welfare) to its employees and their families to ensure that health treatments can be prioritized.

As of FY2022, all female employees are eligible for routine cervical and breast cancer screenings, and Sojitz is strengthening its efforts to support women's health.

## ■ Sojitz Health Management System

In June 2019, the Health Support Office introduced a health management system to better monitor changes in employee health. Regular medical checkups (annual physicals, health exams for lifestyle-related diseases, cancer screenings) and stress assessments are carried out routinely for all employees. If changes are observed in an employee's health, the Health Support Office now has a system in place with dedicated staff to reach out to these individual employees and provide support services that include a place to discuss work-related stress.

## ■ Passive Smoking Measures

In order to maintain the health of our employees, we closed the smoking booths at both Tokyo Headquarters and the Kansai Office at the end of March 2023. Additionally, we have continued to hold a smoking cessation program and seminars on smoking cessation, which have contributed to a successful 12% decrease in the smoking rate. Smoking cessation initiatives will be continued in order to reduce the smoking rate further.

## ■ Support for Healthy Lifestyles

We are aiming to improve employee health by assisting employees over age 35 with BMIs higher than 30 to ensure less than one percent meet these risk conditions by the end of the FY2023. In order to achieve this target, we have not only set up a health counseling services, but also expanding the scope of our support. We do this by providing nutritional guidance to those with pre-diabetes and other lifestyle-related diseases, as well as offering nutritious, low-sugar boxed lunches to employees. Sojitz designated September 2023 as a month for raising employee awareness of health issues and encouraging a healthy lifestyle. Throughout the month, Sojitz employees learned about the importance of adopting a health-conscious mindset through a range of events including physical fitness tests and seminars on topics such as sleep health and understanding annual health check results.

## ■ Mental Health Measures

We offer multiple mental health resources including access to an industrial psychiatrist and in-house and external counseling services for onset prevention, early detection, and early treatment and recurrence prevention. Also, we conduct annual stress assessments, as called for by Japan's Industrial Safety & Health Act, and strive to improve the working environment by having occupational psychologists provide counseling to employees experiencing high levels of stress, in addition to conducting group analyses of each organization within the company. Employees on assignment often experience greater strain overseas, and we therefore conduct monthly health checks for these employees to help them maintain health awareness and to offer access to an industrial psychiatrist and external counseling services as needed. Additionally, we work to increase awareness of mental health management by holding seminars open to all staff members with the aim of preventing the onset of work-based stress related illness, and seminars for management-level staff on ways to support their team-members and assist them in accessing mental health services. Through these initiatives, we aim to increase the accessibility of mental health resources provided in order to safeguard the mental health of our employees.

## ■ Preventing the Spread of Infection

Sojitz encourages employees to receive the flu vaccine each year and provides subsidies to cover the cost of vaccination (approximately JPY 3.6 million has been provided in subsidies since FY2019). Additionally, Sojitz's Safety & Sanitation Committee share the latest updates and information regarding infectious diseases and continue to provide hand sanitizer on each floor of Sojitz offices.

## ■ Addressing Women's Health Issues

Sojitz has set a goal of increasing the percentage of its female employees to approximately 50% during the 2030s. In order to promote the success and retention of female employees, the company recognizes the importance of initiatives that support women's health. As such, the company has increased the variety of tests available for female employees as part of annual check-ups, placed a dedicated gynecologist at its Tokyo HQ and Kansai Office clinics, and established an in-house consultation service for fertility-related issues. In addition, Sojitz has contracted with an external company to offer online seminars hosted by doctors and specialists in women's health to further expand women's health offerings for employees.

Sojitz recognizes the challenges that women face in balancing work and infertility treatment and is focusing efforts on educating employees about women's health issues. Sojitz aims to promote a deeper understanding of infertility treatments for both individuals undergoing treatment and for their colleagues and holds seminars to promote literacy in both career planning and health to build an environment in which each individual employee can excel.

## ■ Healthcare

At both Tokyo HQ and the Kansai Office, Sojitz has a Health Care Room where employees can receive massages to help them recover from work-related fatigue and stress. In order to promote the health of employees and proper work-life management, Sojitz offers a service that allows employees to use fitness clubs at a discount.

## ■ Progress of health management initiatives

| Initiatives   | FY2022  | FY2023  | FY2024  |
|---|---------|---------|---------|
| Participation in annual health checks                             | 100%    | 100%    | 100%    |
| Participation in detailed (follow-up) examinations                | 67%     | 77%     | 84%     |
| Obesity rates (individuals with a BMI of 30 or above)             | 3.4%    | 3.4%    | 4.1%    |
| Employees for whom the company supports ongoing medical treatment | 100%    | 100%    | 100%    |
| Employees receiving specialized healthcare guidance               | 34%     | 66%     | (*1)    |
| Smoking rates   | 18%     | 17%     | 12%     |
| Employees who exercise regularly *2                               | 33%     | 34%     | 36%     |
| Walking Campaign participants                                     | 751     | 734     | 488     |
| Participation in the annual stress check                          | 95%     | 95%     | 95%     |
| Employees experiencing high stress levels                         | 6.4%    | 5.7%    | 6.3%    |
| Employees on leave of absence due to illness/injury               | 0.2%    | 0.3%    | 0.2%    |
| Absenteeism *3  | 0.7days | 1.0days | 0.9days |
| Employees who used health counseling services or clinic           | 1,808   | 2,032   | 2,182   |
| Employees who used the Health Care Room                           | 1,757   | 2,264   | 2,321   |
| Satisfaction with health-related initiatives                      | 85%     | 88%     | 89%     |
| Health literacy   | 84%     | 87%     | 87%     |

\*1 Specific health guidance for FY2024 in progress and to be posted at a later date.

\*2 Percentage of employees who responded "Yes" to either of the following survey questions: 1) "Do you perform 30 minutes of exercise (in which you break a sweat) twice a week or more, and have you maintained this habit for a year or longer?" and, 2) "On average, do you perform a moderate physical activity like walking for an hour or longer per day?"

\*3 Calculation method: Absenteeism is calculated as the total number of leave days taken by employees on leave due to illness/injury (2,341 days in FY2024) divided by the total number of employees at the company as of the end of the fiscal year (2,486 people in FY2024).

## Presenteeism

| Initiatives          | FY2022 | FY2023 | FY2024 |
|----------------------|--------|--------|--------|
| Presenteeism rate *1 | 39%    | 21%    | 20%    |
| Employees surveyed   | 2,435  | 2,420  | 2,363  |
| Response rate        | 95%    | 94%    | 95%    |

\*1 Method for measuring presenteeism rate:

FY2022: WHO Health and Work Performance Questionnaire

FY2023: The University of Tokyo Single-item Presenteeism Question

### Overall Evaluation:

The percent of employees undergoing follow-up examinations are improving and we intend to work with our occupational physicians to continue to increase this figure. In addition to successfully increasing the percent of employees that report regularly exercising while reducing the percent of employees who smoke, we are implementing measures for improving employee habits and lifestyles in order to decrease the obesity rate moving forward. We aim to continue to enhance collaboration with our occupational psychiatrist as we strive to decrease the percent of employees taking leave for mental health reasons and reduce absenteeism.

### ■ Sojitz Group Initiatives

Based on the Sojitz Healthy Value charter, we implement a range of initiatives for protecting and improving the health of Sojitz Group company employees. Specifically, Sojitz offers services including medical referrals for cancer screenings, second opinions offered by on site occupational physicians, pre-departure training for overseas assignment, and additional medical support through partnerships with treatment providers overseas. Sojitz holds regular liaison meetings with Group companies to provide updates on health management activities. The company invites outside experts and psychiatrists for lectures and information sessions on a wide range of topics including work style reform initiatives and changes to Japan's work style reform laws. Through these educational initiatives, Sojitz aims to support the health of employees throughout Sojitz Group.

### ■ Support for Employees and Family Members Undergoing Treatments

Sojitz has measures in place which aim to gradually help employees acclimate to work after extended absences for treatment by limiting working hours, as necessary. We also enable employees to balance medical treatment and work by encouraging them to utilize remote work and the super flextime system that has eliminated core time. Sojitz is also focusing its efforts on supporting the health of employees' families, such as through a counseling service available to employees and their family members.

### ■ Work style reforms

Sojitz is striving to reform working conditions by introducing policies that curtail long working hours, encourage employees to use paid leave, special leave to long-term employees, and promote utilization of the flex time system.

### Read more

> [Labor practices](#)

## 3-3. Health and Safety Measures & Crisis Management

### ■ A Safe and Healthy Office Environment

Sojitz implements office furnishings and lighting to create a safe and healthy office environment.

In accordance with the aforementioned policy, Sojitz Group is engaged in a broad range of occupational health and safety initiatives.

### ■ Initiatives at Sojitz LifeOne Corporation

Sojitz LifeOne Corporation is a Sojitz Group company and comprehensive life solutions business primarily engaged in real estate management for condominiums and commercial buildings. Sojitz LifeOne provides services to support customer lifestyle and housing needs and undertakes the following health and safety initiatives.

#### 1. Safety Conference

Sojitz LifeOne held its first safety conference in FY2024 with 15 participating companies and 60 attendees to raise awareness within the company and among partner companies with the goal of zero workplace accidents.

Multiple factors can contribute to decreased safety awareness at construction sites, and the safety conference aims to share the importance of safety and the status of risk prevention activities with partners in order to prevent workplace accidents.

#### 2. Safety Management for Partner Companies

In accordance with Japan's Industrial Safety and Health Act, Sojitz LifeOne complies with safety management obligations as chief contractor to its partner companies. Sojitz LifeOne has established a health and safety management guideline which specifies the required safety measures to be followed by Sojitz LifeOne and its partners to ensure health and safety management and accident prevention at construction sites.

For large-scale repair and maintenance work or high-risk construction projects, Sojitz LifeOne conducts construction site risk prediction with on-site supervisor guidance in addition to risk assessments and safety patrols to ensure thorough safety checks.

#### 3. Introduction of a Construction Management System

In April 2025, a new construction monitoring tool was introduced that enables construction-related information to be recorded on smartphones for all construction sites to more effectively monitor and manage projects daily in real time. Data was previously managed using paper-based methods before the process was digitized, and the new system not only reduces environmental impacts, but also allows information to be centralized in order to facilitate information-sharing among related parties and improve efficiency.

### Read more

> [List of Sojitz initiatives for a safe and healthy office \[PDF:90.0KB\]](#)

## 4. Performance

### 4-1. Performance Data

#### ■ Average Overtime Hours

| FY2020   | FY2021   | FY2022   | FY2023   | FY2024   |
|----------|----------|----------|----------|----------|
| 20 hours | 25 hours | 26 hours | 23 hours | 24 hours |

## ■ Data on Work-related Accidents

To ensure a safe working environment, we monitor the occurrence of occupational accidents with the goal of ensuring zero occupational accidents and zero fatalities. In the event of an occupational accident, we have established a system to determine the cause of the accident and, if deemed necessary, implement measures to prevent recurrence. Please refer to "Related Links" below for performance against targets.

### 4-2. Related Links

- > [Work-related accident data](#)
- > [Commuting accident data](#)
- > [Fatalities data](#)
- > [LTIFR \(Lost Time Injuries Frequency Rate\)](#)
- > [OIFR \(Occupational Illness Frequency Rate\)](#)

## 5. Awards and Recognition

Sojitz was selected as a 2024 Health & Productivity Stock under the Health & Productivity Stock Selection Program, a system jointly administered by Japan's Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). The program evaluates TSE-listed companies and selects enterprises that have made strategic efforts to address employee health from a management perspective. Sojitz was also certified for the third time and second consecutive year in the 2025 Health & Productivity Management Outstanding Organizations Recognition Program, an initiative organized by NPO Nippon Kenko Kaigi and METI. The company was selected as a "White 500" company (large enterprise category) for the sixth time overall, and for the third year consecutively.

Additionally, Sojitz received a DBJ Health Management Rating from the Development Bank of Japan (DBJ) in June 2018. The company was recognized for its superior initiatives focused on employee health.

### 5-1. Related Links

- > [Evaluation by Society](#)

# Human Resource Management

## 1. Policy and Basic Approach

At Sojitz Group, we consider our people to be our greatest asset, and the value we create is derived from strengthening the skills of our employees. Our ideal person is someone who has a deep understanding of the Sojitz Group Statement, and who acts in accordance with the Sojitz Guiding Principles in order to create two types of value—value for Sojitz and value for society.

### 1-1. Sojitz Group Statement

Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity.

### 1-2. Sojitz Guiding Principles

Sojitz Group aims to create value for our stakeholders by aligning our strong, capable individuals under the following 5 principles:

1. Trust: Build enduring trust.
2. Innovation: Innovate with foresight.
3. Speed: Strive for speed.
4. Challenge: Take calculated risks.
5. Perseverance: Persevere until successful.

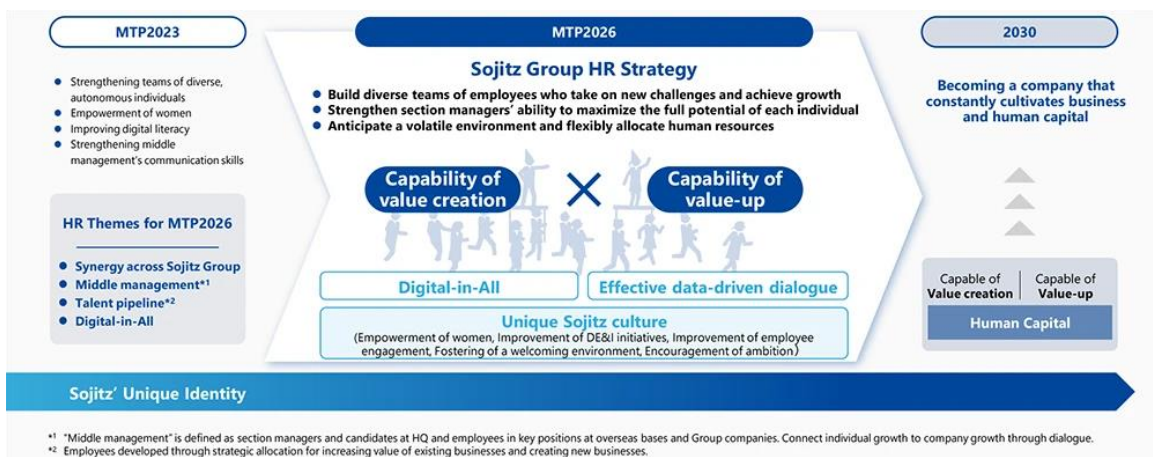
#### Related Links :

- > [Basic Approach to Sustainability](#)
- > [Corporate Statement](#)

## 1-3. Medium-term Management Plan 2026: Human Resource Strategy

### Sojitz Group's Human Resources Strategy

Sojitz's vision for 2030 is to become a general trading company that constantly cultivates new businesses and human capital. To realize this vision, we focused on enhancing our organizational capabilities while prioritizing individual growth to create a team of diverse, self-directed individuals under Medium-term Management Plan 2023. In the new Medium-term Management Plan 2026, we aim to realize a Sojitz Growth Story to raise our value creation and value enhancement capabilities as outlined in the human resource strategy. To prepare for the Next Stage (net profit of 200.0 billion yen and ROE of 15% or more) as announced in the outline of Medium-term Management Plan 2026, it is essential to advance into competitive business areas and to ensure high profitability. We will build on existing businesses and conduct new investments to further expand the Group and leverage the company's networks for co-creation to strengthen synergy across Sojitz Group. We will create new business and improve productivity by 1) fostering a unique Sojitz culture, 2) implementing "Digital in All," and 3) conducting effective data-driven dialogue. These three pillars will support our efforts to reinforce both our foundations for growth and human capital as we pursue sustainable value creation. In accordance with Sojitz Group's slogan of "New way, New value," we will strengthen Sojitz's unique corporate culture of taking on challenges and flexible thinking as a young company, encouraging meaningful interpersonal engagement among employees, and fostering a culture that leads to value creation.



We are implementing policies in line with the following concepts selected as key themes for Medium-term Management Plan 2026.

### Build diverse teams of employees who take on new challenges and achieve growth

In accordance with the theme of transforming diversity into competitiveness, Sojitz leverages diversity to respond to the volatile market environment and to build on the organization's capabilities that underpin the swift generation of value. Sojitz aims to become a general trading company that constantly cultivates new businesses and human capital, and we continue to proactively hire diverse talent regardless of gender and nationality, including mid-career hires with high levels of expertise. We also work on various initiatives to enable employees to fully demonstrate their individual strengths and skills by providing education to management-level personnel.

### Strengthen section managers' ability to maximize the full potential of each individual

To link the development of diverse, self-directed individuals to the growth of each of our organizations and the company as a whole with the enhancement of corporate value, we consider it imperative to strengthen the section managers who act as intermediaries between senior management and non-managerial employees in the process of executing strategies and enhancing engagement.

## Anticipate the changing business environment and allocate human resources flexibly

Sojitz will flexibly and systematically cultivate, allocate, and appoint its human resources to continue addressing significant changes in the business environment, such as technological advancements, heightened geopolitical risks, and diversifying customer needs. This flexible allocation system will allow us to raise value creation and value enhancing capabilities required to achieve our vision for 2030.

### Related Links :

> [COO, Human Resources Department Message](#)

## 1-4. Approach to Human Resource Development

### Sojitz aims to support the development of individuals who can create value by responding to market needs and addressing social issues.

Sojitz emphasizes the importance of transforming diversity into a competitive advantage as a core value throughout the company. We encourage employees to take on new challenges from an early stage in their careers and we strive to develop diverse teams of independent individuals. Our aim is to create a positive feedback loop in which individual growth leads to organizational growth, and this in turn brings new energy to the company and ultimately drives growth for Sojitz at large. Specifically, we focus on developing employees with the following attributes:

1. People who see change as an opportunity for realizing value creation
2. People capable of responding swiftly to a rapidly changing business environment
3. People who take on challenges without fear of failure and persevere to overcome difficulties and see through their work through to completion

## 2. Goals and Targets

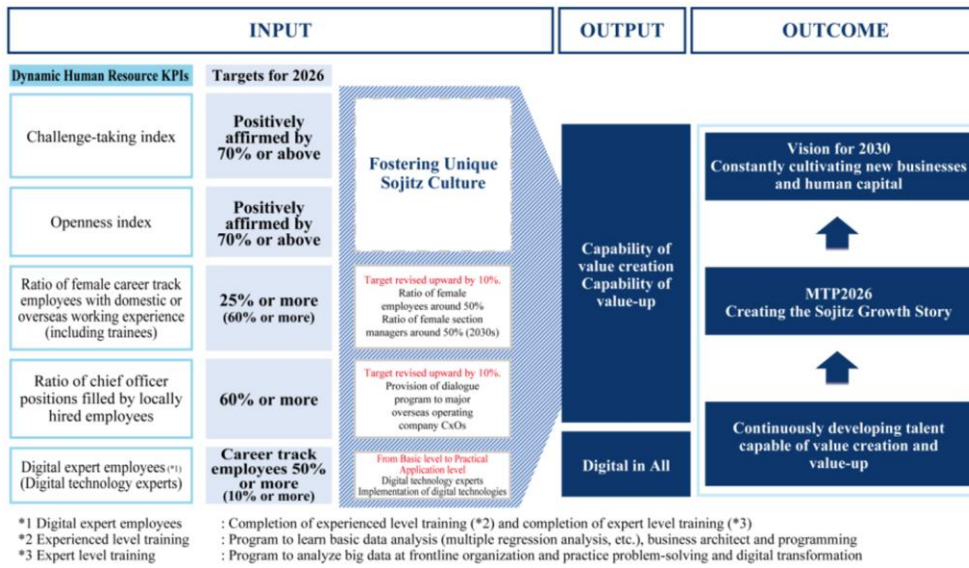
### 2-1. Human Resource KPIs

#### Basic Approach to Human Resource KPIs

In June 2021, Sojitz established the following human capital key performance indicators (KPIs) to quantitatively measure the effects and degree of dissemination of its human resource measures as part of the company's human capital management. Dynamic KPIs allow us to revise specific measures as necessary, and we have put a monitoring system in place. The status and progress of KPIs and human resource measures are reported to the Management Committee and the Board of Directors every six months in order to facilitate discussions among management. Progress on human resource KPIs is used as an evaluation index for the performance-linked remuneration of directors and executive officers, which promotes execution of the company's corporate strategy.

Under Medium-term Management Plan 2023, we focused on enhancing our organizational capabilities while prioritizing individual growth. Under Medium-term Management Plan 2026, we set the target of increasing women in manager positions to 50% in the 2030s. In addition to continuing such initiatives, we also aim to raise our value creation and value enhancing capabilities with a focus on output to realize the Sojitz Growth Story. Specifically, we will foster Sojitz's unique culture (measured through the challenge-taking index, openness index) and promote opportunities for diverse human resources (measured through the ratio of female career-track employees with domestic or overseas working experience, ratio of chief officer positions filled by locally hired employees, and number of digital expert employees) to raise our value creation and value enhancing capabilities. Additionally, some KPIs incorporate the response rates of regular engagement surveys (\*1) to track employee input at regular intervals and translate this feedback into concrete measures.

### Medium-term Management Plan 2026: Human Resource KPIs



| Human Capital KPI   | Details   |
|---|---|
| Challenge-taking index<br>Openness index  | <ul style="list-style-type: none"> <li>• KPIs for MTP 2026 were developed as an extension of target Human Capital KPIs set out under MTP 2023.</li> <li>• The satisfactory threshold was raised to the “positive affirmation ratio” (*1) from the “affirmation ratio” (*1) set out under MTP 2023.</li> <li>• Aims to accelerate challenges taken by employees and foster an open corporate culture</li> </ul>  |
| Ratio of female career-track employees with secondment experience in Japan or overseas (including trainee programs) | <ul style="list-style-type: none"> <li>• As Sojitz operates globally in diverse business areas, on-site experience is important to nurture candidates for middle management.</li> <li>• The number of employees with secondment experience in Japan or overseas including trainee programs increased during the MTP 2023. We added the “ratio of employees with experience of working overseas or on secondment” as a new KPI to increase the ratio of female managers gaining high-level experience such as undertaking missions, decision-making, and other responsibilities commensurate with managerial positions.</li> <li>• The KPI for the ratio of employees with external experience, including trainees, set in Medium-term Management Plan 2023 has been raised from 50% to over 60%.</li> </ul> |
| Ratio of chief officer positions filled by locally hired employees  | <ul style="list-style-type: none"> <li>• To achieve our business strategy, it is essential to adopt a market-in approach and business expansion leveraging the strength of Sojitz Group. We will continue monitoring the ratio of chief officer positions filled by locally hired employees who are well-versed in each local market.</li> <li>• Raise the KPI target from 50% to 60% or above</li> </ul>   |
| Digital expert employees (DX-Experts)   | <ul style="list-style-type: none"> <li>• The previous KPI was the “ratio of digital fundamentals trainings completion” and all career-track employees acquired basic knowledge to apply digital technologies to business.</li> <li>• The KPI under MTP 2026 has been raised to the completion of “Practical Application Basics/Expert Training” for implementing digital technologies in actual business processes.</li> </ul>  |

\*1 Engagement Survey (Employee awareness survey) started in 2017 to gain understanding of employee engagement at Sojitz and to achieve effective HR strategies. With the advice of external specialists, we created and introduced our own specialized questions for the survey, which has six response options. The ratio of respondents who chose Option 1: “Strongly agree” or Option 2: “Agree” is defined as the “positive affirmation ratio,” while the ratio of respondents who chose Option 1, Option 2, or Option 3: “Somewhat agree” is defined as the “affirmation ratio.” We analyze the results by organization and attribute (by age/job ranking) to introduce improvement activities by division/unit. (As of 2023, the positive affirmation ratio for the challenge-taking index was 67% and the openness index was 52%.)

## 3. Systems

### 3-1. Organization

|                       |   |
|-----------------------|---|
| Executive Responsible | Shigeru Ogura (COO, Human Resources Department) |
| Secretariat           | Human Resources Department                      |

### 3-2. Features of the Human Resource System

#### Sojitz Group Basic Policy for Human Resource Management Basic Principles

- Sojitz aims to sustainably create value in line with the Sojitz Group Corporate Statement and the company's vision for 2030. In order to achieve these goals, it is essential that diverse teams of employees achieve continuous growth and maintain high engagement, and that management draws out the unique strengths of each employee and translates those strengths into sustainable value creation for the company.
- To achieve our vision for 2030, shifting our approach toward human resources will be more important than anything to achieve further growth. For this reason, a new human resource system was launched in April 2024. The new system increases remuneration levels and revises areas of the prior system related to job grades and evaluations with the goal of making Sojitz the best place for people seeking to follow their ambitions and pursue growth. With this new system, we look to accelerate Sojitz's distinct approach toward human capital management in order to grow the company and improve corporate value. This will be accomplished by enhancing the human capital that will be imperative to crafting the Sojitz Growth Story to tie the growth of individual employees to the growth and energization of organizations. Moreover, the Company will be monitoring the degree of improvement in the level of acceptance of employee evaluations in the year ending March 31, 2025, with the aim of further stimulating the growth of individuals.

#### Recruitment

#### Seeking people who can deliver future prosperity to all our stakeholders

At Sojitz, we believe that our people serve as the source of our value creation. Although employees have diverse values, perspectives, and experiences, all share the common goal of challenging themselves and pursuing growth. By providing employees with opportunities to take on new challenges and grow, the company can attract talent who have an active interest in making contributions at Sojitz and establish a mutually beneficial dynamic. In order to achieve this goal, it is essential that we have diverse teams of individuals who are capable of responding swiftly to the changing business environment and who find the will to overcome difficulties to see their work through to completion without fear of failure. In FY2021, we announced a new recruitment slogan: Make a Difference. Behind this slogan is our belief that there are many opportunities to take on new challenges at Sojitz, and the slogan also embodies our desire for employees to seize opportunities to experience personal growth through their work while creating prosperity through business. Throughout the year, Sojitz's recruitment efforts focus on new graduates, mid-career candidates that include individuals with disabilities, and global recruitment from overseas universities to strategically hire talent with rich creativity, potential, and varied experiences—as well as the ability to develop their own business capabilities.

#### FY2024 Hiring Plan (new graduates and mid-career hires)

- Approximately 180-200 employees

#### Related Links :

- > [Recruitment information for new graduates \(Japanese\)](#)
- > [Recruitment information for mid-career hires \(Japanese\)](#)
- > [Recruitment information for persons with disabilities \(Japanese\)](#)

## Human Resource Development Programs

Sojitz conducts optimal human resource development through active dialogues, considering both the company's perspective (ensuring that organizations have the capabilities required to execute strategies) and the employee's perspective (leveraging individual capabilities and realizing career aspirations), and Sojitz offers a wide range of training programs to support employee growth. The core training programs are 1) the Foundational Courses and 2) Professional Trainings. For the Foundational Courses, employees attend lectures and sit in-house exams (Business Trading; Legal, Security Trade Controls, Compliance; Accounting) as well as three tests administered by outside institutions (TOEIC IP Tests (LR/SW), IT Passport exam, and Nissho Bookkeeping Certificate Level 3). This program allows employees to elevate their professional skills and gain the basic knowledge required of trading company employees.

Our Professional Training menu focuses on developing employees' skills and mindset. In skills training, employees acquire the necessary knowledge and polish the skills they will need as professionals working in various fields. In mindset training, we aim to strengthen interpersonal skills and goal achievement through overnight training retreats while focusing on promoting understanding of the company, roles, commitment, and follow through.

Sojitz has also created a training program with five skill levels for the development of DX experts. The entry level (level 1) covers foundational knowledge required of all employees, and the basic level (level 2) emphasizes the importance of both the proactive (DX) and preventative (IT security) aspects of technology use in business. Sojitz established and achieved the goal of all career-track employees completing level 2 training during Medium-term Management Plan 2023. New levels were added to the training program in FY2022, including practical courses on problem solving through data analysis and the use of digital technologies to both create business and add new value to existing businesses. Sojitz aims to continue raising the digital literacy of employees through these initiatives.

Sojitz e-Campus is an e-learning portal that Sojitz has introduced for the purpose of accelerating employee development and promoting diversity at the company. Employees have unlimited access to all learning materials on Sojitz e-Campus. The e-Campus portal supports corporate governance and allows employees to gain basic business skills, and Sojitz departments regularly publish up-to-date content on topics including law, tax, finance, and corporate strategy. Learning materials are designed based on real business situations and support employees in developing the business literacy required of trading company employees.

| Job Grade  | First Year Employee   | Second Year                        | Around Sixth Year                              | Tenth Year  | Assistant Manager                   | Section Manager                               | General Manager               |  |
|--|---|------------------------------------|--|---|-------------------------------------|---|-------------------------------|--|
| Development Goals  | Develop basic skills as an employee of the company  | Acquire basic knowledge            | Develop practical ability from basic knowledge | Develop ability to link knowledge to concrete results | Develop next generation of managers | Develop next generation of company executives |                               |  |
| For Head Office Employees  | Six Mandatory Exams:<br>Accounting<br>TOEIC LR730, S6,W7<br>Trading<br>Legal, Security Trade Controls,<br>Compliance<br>IT Passport<br>Bookkeeping (Level3) |                                    | Professional Training A                        | Professional Training B                               | New Manager Training E-learning     | Select MGR Leadership Training                | Select GM Leadership Training |  |
|  | Orientation Training for New Employees and Follow-up Training   | Group MGR Training                 |  |   |                                     | Group GM Training                             |                               |  |
|  | Coursework at Business School in Japan  |                                    |  |   |                                     |   |                               |  |
|  | Basic Digital Training Program  |                                    |  |   |                                     |   |                               |  |
| Global Business Skill Development Training                                       | Overseas Short-term Trainee Program   | Pre-Overseas Dispatch Training     |  |   |                                     |   |                               |  |
|  |   | Overseas Long-term Trainee Program |  |   |                                     |   |                               |  |
|  |   | MBA Law School                     |  |   |                                     |   |                               |  |
| Self-improvement Study (English, Chinese, Russian, Spanish, and other languages) |   |                                    |  |   |                                     |   |                               |  |

|   |   |                                 |   |                    |  |  |
|---|---|---------------------------------|---|--------------------|--|--|
| For Local Overseas Employees<br>Global Leader<br>Development Programs |   |                                 | GPD<br>Global Professionals Development Program |                    |  |  |
|   |   | Short-term OJT Program<br>at HQ |   | Inpatriate Program |  |  |
| For Both<br>Basic Rules   | E-Learning<br>(Compliance, Anti-corruption, Risk Management, Internal Audit, IT Security, Sustainability, Preparatory Courses for Mandatory Trainings, Important Matters Shared with All Employees) |                                 |   |                    |  |  |
| Other   | For Administrative-track Employees:<br>Career Skills Training   |                                 |   |                    |  |  |

### Goal Setting and Evaluations

At Sojitz, we believe that employee evaluations should be fundamentally fair, equitable, reasonable, and incorporate employee dialogues. In order to support the success and growth of each individual, we have implemented a job grade system that systematically details the expected role of each employee and their corresponding salary, and also enables employees to be promoted early in their career based on employee evaluation results. Our results-oriented evaluation system evaluates the extent to which employees fulfill their commitments as well as the actions they take to create medium- to long-term, sustainable results.

Sojitz uses an employee evaluation platform, and the expectations for each job grade and each employee’s individual commitments are set within this system at the beginning of each year. The employee and their evaluator engage in open dialogue throughout the fiscal year to ensure that the final evaluation outcome is understood and agreed upon by both parties and facilitates further growth for the employee in the coming year.

The yearly evaluation process involves four key stages: 1) The initial goal-setting stage in which employees set their individual goals after being briefed on their organization’s targets and strategies; 2) the mid-term review, when employees review their progress on individual goals and make revisions as needed; 3) the year-end review, when employees assess their overall achievement of their goals; and 4) the evaluation feedback meeting. Evaluations are conducted by superiors at multiple levels, and the Human Resources Dept. oversees these discussions.

If an employee has concerns about the results of their evaluation, the HR Dept. steps in to mediate and review the results from an objective standpoint. The HR Dept. makes a final determination regarding the evaluation, then shares this finalized result with the employee and explains the rationale behind the decision.

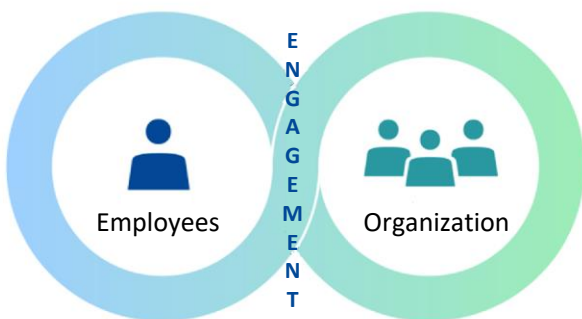
Furthermore, evaluators (section managers, general managers) are required to set talent development targets for the development of their teams. Sojitz offers e-learnings for evaluators and regularly organizes educational opportunities, including discussions led by the president and senior management, to emphasize the importance and value of goal setting. These initiatives are designed to foster understanding of the evaluation process and ensure that evaluations are being successfully utilized to constantly improve the quality of Sojitz’s human resource management. In addition, Sojitz encourages employees to establish concrete and specific goals for their growth through "challenge-taking objectives"—personal targets set at the beginning of each fiscal year that go beyond the scope of organizational objectives. Sojitz aims to realize its slogan of New Way, New Value by fostering a challenge-taking mindset in all employees.

### 3-3. Data-driven Human Resource Management Fostering an Open and Supportive Company Culture

At Sojitz, we consider our employees to be our greatest assets. In order to create a work environment which maximizes employees’ potential, we use a number of internal surveys to gather opinions from our employees and develop policies to address actual working conditions. Through these internal surveys, Sojitz is able to create an open company culture and foster an environment in which each employee feels a personal investment in company initiatives. We will continue to implement solutions and make improvements based on employee feedback.

#### Objectives

Using Survey Data to Strengthen Organizational Capabilities

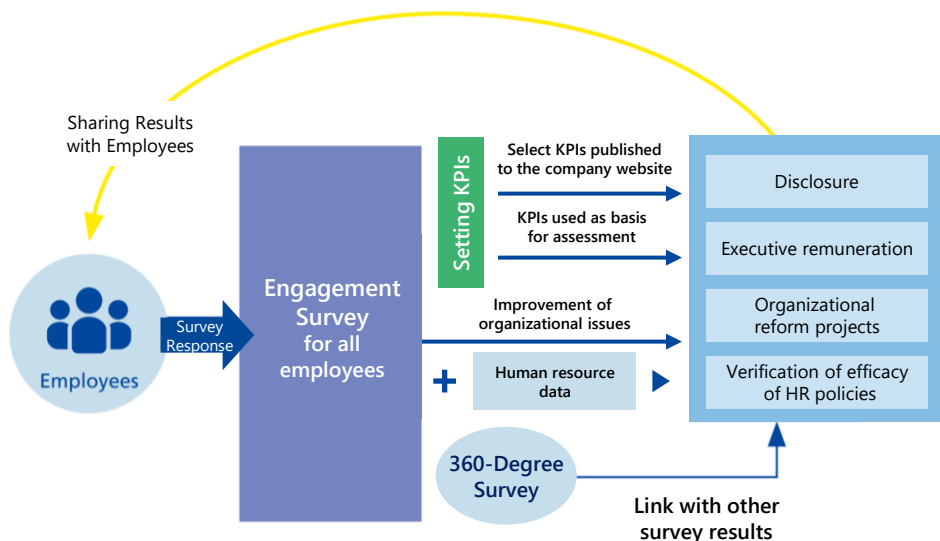


By raising engagement and building greater trust between employees and their organizations, we can encourage more proactive and dynamic communication. We believe that this proactive communication leads to discussions on how to advance strategies and accomplish company goals, as well as fosters a culture in which employees feel encouraged to take on new challenges. By regularly conducting engagement surveys, we cultivate a working environment that maximizes the potential of both individuals and organizations.

**Maximizing the potential of both individuals and organizations for mutual growth**

We also actively create opportunities for dialogue between management and employees. We aim to maintain an open company culture through meaningful interpersonal communication between employees and incorporate employees’ opinions as well as share management’s vision.

#### Engagement Survey



#### Related Links :

> [News Room](#) | [Sojitz Corporation](#)

## Engagement Survey



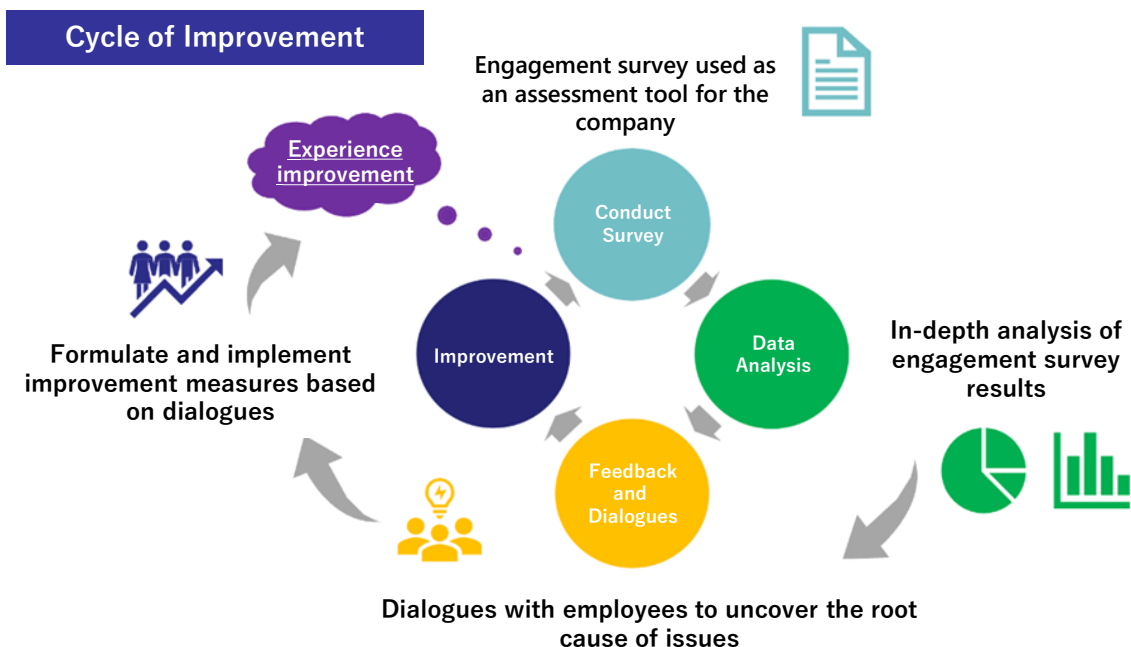
Sojitz has conducted an employee survey since FY2017 in an effort to understand and continually raise employee engagement. The questions cover employee motivation and how the workplace environment affects the degree to which employees can excel. We conduct separate analyses of the survey by organization and by affiliation (such as age and job grade) and the results of these analyses are shared throughout the company and used to create action plans within individual organizations.

In March 2021, we formulated our engagement survey with questions unique to our organization under the guidance of an outside expert. Our aim was to gain a more accurate understanding of the current status of the company and use the results to implement more effective human resource initiatives. In FY2023, employee engagement remained high with a 96% response rate. We will continue to regularly conduct this engagement survey as a means of understanding feedback from our employees.

## Organizational Improvement Project

Sojitz shares the results of the engagement survey throughout the company and analyzes survey responses in terms of organization and affiliations. Individual organizations then utilize this data to make improvements within their organization. Each organization appoints a project owner (head of organization) and project leader. Through an employee-driven approach, project leaders guide company-wide improvement efforts by spearheading survey data analysis and other improvement initiatives within their respective teams. Sharing this data at the company level allows for analysis in terms of a wide range of characteristics including employees' age, gender, and job grade, and enables Sojitz to reinforce the PDCA cycle (plan, do, check, act) for organizational improvement within each organization.

Themes for past five years of the project have included "Continuous Improvement Mindset"; "Implementation of Data Analysis"; "Establishment of an Improvement Cycle"; and "Raising Productivity." In FY2023, the theme was to focus on issues specific to each organization. Having ascended to the next stage, organizations will now focus on the concept of accelerating growth to realize goals under Medium-term Management Plan 2026. Each year, organizations are selected to present on their progress to the president and members of management, and awards are given to departments that demonstrate particularly outstanding efforts. This feature allows the details of the initiatives and insights gained through the project to be shared and implemented throughout the company. Through organizational improvement initiatives, we aim to create an open and comfortable working environment and foster a culture rooted in the unique Sojitz identity.



### 360-Degree Survey

Since FY2018, Sojitz has conducted 360-degree surveys to provide general managers and section managers with multi-faceted feedback from senior managers, coworkers, and subordinates each year. This initiative allows managers to evaluate their everyday actions, encourages improvement, and provides motivation. In FY2019, we expanded the scope of the survey to include COOs among the line managers who receive feedback. In addition, survey questions were updated in FY2020 to align with Sojitz’s official requirements for line managers in an effort to raise awareness among employees of the traits and behaviors expected of all line managers.

Line managers: General managers, COOs, and other management-level employees responsible for leading organizations



### —Requirements for Line Managers

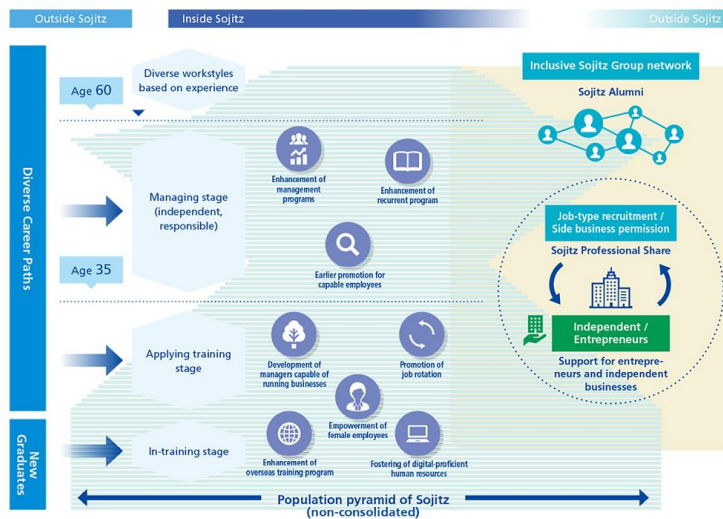
|   | Section Manager                            | General Manager                                   | Chief Operating Officer (COO)   |
|---|--|---|---|
| Perspective and Foresight                     |  | Assesses problems from a company-wide perspective | Acts as a conscious and committed member of management<br>Adapts to new environments<br>Capable of recognizing problems |
| Core qualities                                | Anticipates the future                     | Capable of creating new business                  | Capable of future collaboration   |
|   | Fosters employee engagement                | Capable of involving other employees              | Possesses cooperation skills  |
|   | Increases profits and takes accountability | Makes organizational reforms to increase profits  |   |
| Organizational and HR Management Capabilities | Undertakes HR development                  | Fosters growth environments                       | Possesses a strong sense of conviction  |
|   | Creates cohesive teams that work together  | Capable of making speedy decisions                | Persists to realize objectives  |
| Leadership                                    | ○  | ◎   | ★   |
| Personal qualities & individuality            | ○  | ◎   | ★   |

—Implementing Requirements for Line Managers



## 3-4. Transforming Diversity into Competitiveness Promoting New Challenges for Innovation and Growth

Sojitz is developing a workplace environment that transforms diversity into competitiveness and incorporates new ideas and opinions in an effective and multifaceted way to create value. Not bound by past conventions such as lifetime employment and seniority based on years of service, our corporate culture is built on the concept of helping employees pursue their desired careers while ensuring high levels of motivation with a workplace environment that attracts diverse and ambitious human resources and encourages them to pursue mutual growth. In addition, we offer a platform for creating new business opportunities and promoting open innovation, which is not limited to our existing business domains, through networking among current members of Sojitz as well as former members who continue business or social contribution activities even after leaving the organization. The Sojitz Group has also established a job-based employment company that helps employees further their diverse career goals and life plans. Employees working at this company use their skills and experience inside and outside of the Group to create value.



## 4. Initiatives

### 4-1. Basic HR Strategy 1: Build diverse teams of employees who take on new challenges and achieve growth

In accordance with the theme of transforming diversity into competitiveness, Sojitz leverages diversity to respond to a volatile market environment and to build on the organization's capabilities that underpin the swift generation of value. Sojitz aims to become a general trading company that constantly cultivates new businesses and human capital, and we continue to proactively hire diverse talent regardless of gender and nationality, including mid-career hires with high levels of expertise. We also work on various initiatives to enable employees to fully demonstrate their individual strengths and skills by providing education to management-level personnel.

#### Initiatives for Leveraging Diversity

1. Promoting Women in the Workplace  
Sojitz aims to increase the percentage of female employees to 50% during the 2030s and will continue to build an environment in which women can naturally excel over the mid- to long-term by supporting the active development of its employees at each stage of their careers. Sojitz also appointed its first female executive officer through internal promotion in April 2021. There are currently two female executive officers and 57 female section managers as of March 31, 2024.
2. Balancing Work and Caregiving; Employees Nearing Retirement Age; Opportunities for Employees with Disabilities; Fostering Understanding of LGBTQ Employees

#### Related Links :

> [Diversity Management](#)

#### Group-wide Initiatives

In order to maximize the capabilities of our human resources throughout Sojitz Group, we pursue initiatives geared towards the development of employees at Group companies and the building of inter-Group company networks.

#### — Human Resource Development Initiatives

Sojitz provides a variety of training opportunities to Group company employees. These opportunities develop both the skills and mindset that employees require to understand the operating environment surrounding Sojitz Group and their role as individuals. Executives and managers of Sojitz Group companies receive cross-Group training assigned by position. These trainings improve management skills and strategic thinking required at each level. All employees receive the same core training related to business skills and the company's governance policies, as well as risk management training. We also implement additional programs including orientation trainings for new employees from across Sojitz Group and a program wherein we accept trainees from Group companies at Tokyo HQ.

#### Orientation Training for New Group Employees

|  | FY2020                          | FY2021                          | FY2022                          | FY2023                          |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Training for Board of Directors and Corporate Auditors | 36 companies<br>46 participants | 41 companies<br>47 participants | 53 companies<br>80 participants | 36 companies<br>51 participants |
| Training for Managers                                  | 13 companies<br>47 participants | 11 companies<br>61 participants | 11 companies<br>43 participants | 10 companies<br>30 participants |
| Training for New Hires                                 | 12 companies<br>56 participants | 12 companies<br>59 participants | 8 companies<br>53 participants  | 7 companies<br>49 participants  |

## Recruitment for Group companies

In order to recruit talented new graduates for Group companies and increase Group-wide engagement of new graduate hires, we are working to strengthen Sojitz Group's recruitment branding and create standardized onboarding processes through collaboration on new graduate recruitment activities, such as joint operation of recruitment websites and hosting joint information sessions with Group companies, among other activities.

Joint information sessions in FY2023 : Held 4 times, 8 participating companies, 666 students applied in total

## Development of Future Leaders

Sojitz Corporation conducts a wide variety of businesses through more than 400 Group companies around the world. For our company, continually and strategically developing human resources who can manage our operating companies is an important task.

We are working to develop employees who can oversee the businesses that will constitute Sojitz's earnings foundation in the future. That means having employees, with their diverse backgrounds, undergo a number of training modules based on Sojitz's business philosophies and the Sojitz Guiding Principles, as well as giving them opportunities for on-the-job training.

### —Developing Sojitz Corporate Leadership

In order to ensure sustainable business management, Sojitz's business and corporate departments collaborate to develop successors who can take over management of businesses. We take a company-wide approach to the development of future leaders by fostering a candidate pool capable of meeting the needs of each role and transferring employees between our business divisions as necessary in order to provide future leaders with opportunities to gain new skills and experiences tailored to each individual's development needs.

In addition, it is becoming increasingly important for each Sojitz business division to support local development, create employment opportunities, and contribute to human resource development in the regions where Sojitz is active around the world. Our unique human resource development program offers growth opportunities to employees at every career stage, and we actively promote and allocate employees throughout our businesses and operating regions in order to accelerate the professional development of future leaders.

### —Developing Sojitz Corporate Leadership

We are increasing opportunities for employees to go on secondment to key operating companies and gain experience with the management of Group companies from a corporate perspective. We are also working to provide these employees with opportunities to serve as independent directors or audit and supervisory board members at operating companies both in Japan and overseas. Through these efforts, we aim to create a cycle whereby these employees are able to leverage the expertise they acquire outside the company in future management roles upon returning to Sojitz headquarters. Drawing from its diverse pool of employees, Sojitz selects promising candidates who will form the next generation of Group company leadership. We ensure that all managers are constantly working to improve their management style through initiatives including the annual 360-Degree Survey and leadership trainings offered to select managerial staff.

## Development of DX Experts

Sojitz aims to develop human resources capable of utilizing digital technologies in collaboration with partners both inside and outside the company to transform business models and work processes. We have therefore begun developing an in-house training curriculum based on the digital fields and skill levels we have designated for employee education. We have already successfully raised the base level of all employees' digital literacy through the Entry and Basic levels of the training curriculum and achieved the goal set out in Medium-term Management Plan 2023 of having 300 employees complete the Experienced level (321 employees completed the training, with 60 among those also completing the Expert training). Through the activities of these DX experts, Sojitz has begun to steadily implement digital technologies to solve business issues, such as optimization of commodity pricing in its mineral trading business, data analysis of sales strategies in its marine products business, and acquisition of a patent for digital twin technology used for fish counting in its tuna farming

business. Furthermore, managers who have reached the Expert level are selected to lead the digital specialist teams within their respective business divisions and corporate departments, and Sojitz is taking steps to establish a robust framework to support the realization of the "Digital in All" motto through these efforts.

During Medium-term Management Plan 2026, we aim to continually update and enhance company-wide digital literacy while also improving the Experienced level training curriculum and further increasing the number of employees completing the training. Within the Experienced level, we have introduced a new Business Architecture training program (roughly 20 hours) designed to give employees the skills to conceptualize methods for integrating data and technology into business models. We are aiming to achieve a 50% completion rate (roughly 1,000 employees) of the Experienced training among all career track employees, and for 10% of that group (roughly 200 employees) to complete the Expert training. Sojitz's objective is to ensure that Experienced level employees are positioned in organizations throughout the company and leverage these individuals to drive digital transformation at the company level.

### Broader and More Aggressive Human Resource Development Programs Based on "Digital-in-All" Concept

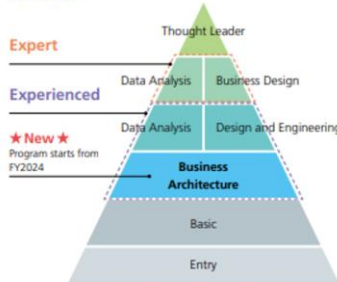
#### Rising Number of Training Participants –

Targets of having **50%** of all career-track employees, or approximately 1,000 employees, complete practical application training (experienced and expert levels) and **10%**, or approximately 200 employees, complete expert training



#### Enhancement of Experienced-Level Curriculum

**Business architecture**, a key element of business design (the ability to coordinate digital transformation schemes), is a newly established program as part of the experienced-level curriculum



#### Application of Shared Sojitz Digital Assets to Industry-Specific Issues and Data through Efforts Led by Experts

|                         |  |
|-------------------------|--|
| Digital Twins           | <ul style="list-style-type: none"> <li>Used car distribution platform</li> <li>Digital transformation of coal mine operation</li> <li>Digital transformation of fisheries business (Sojitz Tuna Farm Takashima Co., Ltd.)</li> </ul> |
| Industry Transformation | <ul style="list-style-type: none"> <li>Digital transformation of trading operations</li> <li>Agriculture platform for Southeast Asia</li> </ul>  |
| Customer Experience     | <ul style="list-style-type: none"> <li>Dealership customer relationship management</li> <li>Trading operation customer relationship management</li> </ul>  |
| Data-Driven Operations  | <ul style="list-style-type: none"> <li>Railcar lease portfolio</li> <li>Electricity price forecast</li> <li>Product price optimization</li> </ul>  |

- Automotive Division
- Aerospace, Transportation & Infrastructure Division
- Energy Solution & Healthcare Division
- Metals, Mineral Resources & Recycling Division
- Chemicals Division
- Consumer Industry & Agriculture Business Division
- Retail & Consumer Service Division

## —Digital Transformation Initiatives

Sojitz positioned Medium-term Management Plan 2023 as a Digital Development Period. We implemented company-wide initiatives for digital transformation. These included interactive discussions by the DX Promotion Committee (an organization chaired by the President) as well as "summer session" overnight management retreats for members of the executive team, workshops for members of management, and other opportunities for employees at each career stage to hold intensive debate and gain a new understanding of digital transformation. In addition, by implementing the Digital Leading Project under the guidance of the CDO, we have made steady progress in accumulating digital assets that will enable us to evolve our portfolio into competitive business clusters.

Under Medium-term Management Plan 2026, we have established "Digital in All" as our motto, with the premise of incorporating digital technologies into all aspects of our business. We will take steps to enhance the value and competitiveness of our existing businesses through digital technologies, as well as facilitate the monetization of our digital businesses. Under this digital strategy starting from April 2024, we are further strengthening our digital promotion organizations, which are under the leadership of the CDO and CIO (refer to the diagram below for the names and functions of each department). By consolidating digital functions and businesses within the Group into a "One Team" structure, we aim to combine the power of digital technology with our business foundation, cultivated as a general trading company, to create new business and transform our existing businesses.

<Organizational structure from April 2024>

**One team by consolidating business and functions**

|  |  |
|--|--|
| <p><b>Earn digitally</b><br/>(Digital Co-Creation Department)</p>                                  | <p><b>Expanding digital business revenues</b></p> <ul style="list-style-type: none"> <li>● Launch of digital business</li> <li>● Co-creation with partners</li> <li>● further strengthening the DX co-creation with Sojitz Tech- Innovation Co., Ltd. (formerly Nissho Electronics), the digital business company</li> </ul>   |
| <p><b>Improving Corporate Value with Digital</b><br/>(Digital Business Development Department)</p> | <p><b>Accelerate the implementation of digital technology and revenue increase of each Division</b></p> <ul style="list-style-type: none"> <li>● Promote value enhancement of existing business with each sales division</li> <li>● Company-wide promotion of data utilization (generative AI/data analysis)</li> <li>● Develop, acquire, and utilize digital and advanced IT human resources</li> </ul> |
| <p><b>Building a Digital Infrastructure</b><br/>(Corporate IT Department)</p>                      | <p><b>Company-wide digitalization, development and enhancement of IT infrastructure</b></p> <ul style="list-style-type: none"> <li>● Building AI and Data Utilization Infrastructure</li> <li>● Development of IT infrastructure to support digitalization</li> <li>● Upgrading security measures</li> </ul>   |

\* Please refer to the Sojitz website for details on systems and initiatives relating to digital transformation and information security.

> [Digital transformation](#)

> [Selected as Digital Transformation Stocks \(DX Stocks\) 2023](#)

> [Selected as Noteworthy DX Companies 2024 \(Japanese\)](#)

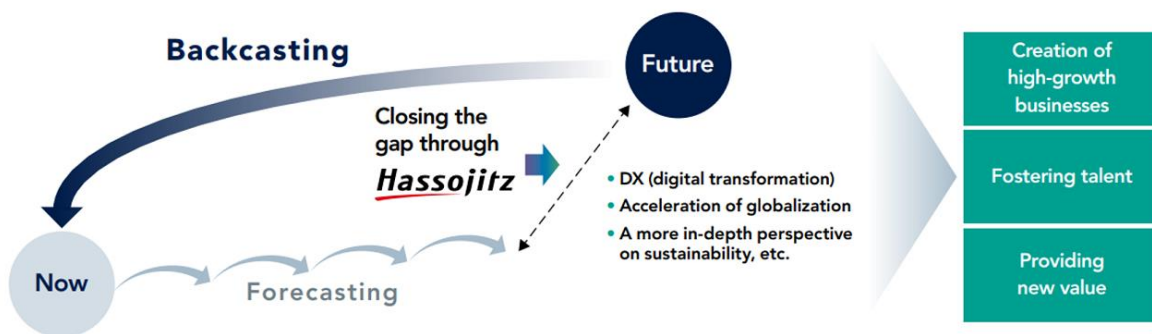
## Trainee Program

Sojitz develops a diverse range of businesses through more than 400 Group companies. As such, ensuring the effective cultivation of human resources for leading these companies is a matter of extreme importance. Various training systems are in place to cultivate management level employees, including an overseas trainee program, a system for dispatching employees to MBA programs, and self-guided programs for language acquisition. Our unique trainee program allows employees to gain experience at organizations with missions that differ from that of their own. For example, an individual from a corporate department may gain experience working in the business department of an operating company, or an employee that works in trading the Chemicals Division might be placed in a position involved in post-merger integration at an operating company supervised by the Aerospace, Transportation & Infrastructure Division. The program thus provides employees an opportunity to grow by broadening their perspective through new experiences and expanding their knowledge base and inter-personal connections. In FY2023, we sent employees to a total of 24 countries through the overseas trainee program, and 40% of program participants were women. By providing employees opportunities to gain experience outside of Japan in the early stages of their career, Sojitz aims to spur growth and foster talent capable of succeeding on the global stage.

## Hassojitz Project

In 2019, we launched the Hassojitz Project as an initiative for new business creation with the objective of generating discussion about what further growth might mean for Sojitz and encouraging visionary and strategic thinking at the company. The Wireless Charging Project, winner of the President's Prize in the project's first year, began conducting road testing in March 2023.

Sojitz is pursuing new business creation through other Hassojitz proposals including the FY2020 competition's e-sports and fast-growing tree projects, both of which have resulted in the establishment of new companies. Since FY2021, Sojitz has incorporated the Hassojitz Project into its training program for prospective employees to promote understanding of Sojitz business and foster the creativity needed to develop business that goes beyond conventional boundaries. In addition, Sojitz dispatches Hassojitz Project participants to external incubation programs and invites outside experts for lectures with the aim of refining business ideas and accelerating innovation through co-creation. Through the Hassojitz Project, Sojitz fosters an entrepreneurial spirit in employees and develops individuals capable of proactively and independently creating new business.



### —Hassojitz Project 2019



Project teams were formed through an open call, and each team was paired with a specially appointed management-level employee as they worked to refine their ideas. For Hassojitz Project 2019, the teams were tasked with first outlining major social and world megatrends expected for 30 years in the future. Participants then proceeded to formulate concrete business proposals and business models under a chosen theme or business area. Finally, the teams presented their ideas to President Fujimoto and division COOs in a contest format. The most promising and feasible ideas from the contest are now in the process of being turned into businesses. For example, a team who chose wireless battery charging as their theme have now taken the first steps towards turning their idea into a business with the Energy Solution & Healthcare Division as their sponsor.

### —Hassojitz Project 2020



For the first year of the project, participation was limited to first year to 10th year employees. However, for Hassojitz Project 2020, we expanded eligibility to include all employees.

“Participation is open to all challenge takers. But do you have the commitment to see your project through until the very end?” This was the question posed to employees for the FY2020 project. The 88 ideas submitted were narrowed down into eight select themes, and a total of 65 employees were divided into eight teams to cover each theme.

Sojitz Alumni Chairman Yoshiaki Fujimori (entered Nissho Iwai in 1975, left in 1986, current Chairman of the Board of Directors at Oracle Corporation Japan, former CEO of Lixil Group), Sojitz Alumni Vice Chairman Masayuki “Mark” Kojo (entered Nissho Iwai in 1993, left in 2001, current President and CEO of Chip One Stop, Inc.), and Akie Iriyama (Professor, Waseda University Graduate School of Business and Finance) were invited to join the judging panel and provide commentary at the final presentation sessions in late May 2021.



Entrepreneurship was the theme for the FY2020 project, and the most outstanding teams are now in the process of turning their ideas into new businesses through sponsorship from Sojitz business divisions.

As part of the FY2020 project, a femtech team is currently working to commercialize their project idea. Utilizing technology to address women's health issues relating to menstruation, pre-conception care, pregnancy, childbirth, menopause, and other gynecological conditions, the femtech team is creating a tech business that supports women's health and empowers women to choose their own career paths and unique lifestyles.

## Related Links :

> [Hassojitz × 若手 | New Way, New Value by Sojitz Person](#)

### —Hassojitz Project 2021

Sojitz began accepting submissions for Hassojitz Project 2021—the third year of the project—in September 2021. The project's theme was co-creation and its primary aims were to promote digital transformation (DX) and create value with partner companies. Numerous new business ideas were received through the company-wide open call and six teams were ultimately chosen to develop their projects. As part of this year's project, two employees were dispatched to a business incubation program held by Phoenixi Co., Ltd. with the aim of using cross-industry exchange as a tool for refining business ideas and accelerating innovation through co-creation.

Final presentation sessions for Hassojitz Project 2022 were held over two days on March 17th (Day 1) and March 28th (Day 2).

On Day 2, President Fujimoto and Executive Vice President Seiichi Tanaka were joined on the judging panel by Waseda University Business School professor Akie Iriyama, Sojitz Alumni Chairman Yoshiaki Fujimori, and Sojitz Alumni Vice Chairman Masayuki "Mark" Kojo.

Sojitz also incorporated the Hassojitz Project into its training program for prospective employees set to join the company in FY2022, and two standout teams from the program presented their projects at the final presentation sessions.

### —Hassojitz Project 2022

Now in its fourth year, the Hassojitz Project has developed into an opportunity to not only encourage employees to adopt a challenge-seeking mindset, but also to share Sojitz's unique qualities both within and outside the company. The theme for Hassojitz Project 2022 was "Passion + Determination." Employees submitted ideas for businesses Sojitz should pursue in the future, and 44 participants were divided into 6 teams following the idea evaluation process. These teams worked to develop their idea over the next 8 months in pursuit of new business creation.

A new initiative was introduced in FY2022 to further enhance the quality of the Hassojitz Project. During the idea development stage, Sojitz invited outside experts for seminars and discussion sessions with employees. These events aimed to foster employee enthusiasm for the project while also raising the overall caliber of proposals by equipping participants with knowledge on marketing, data analysis, and other key skills needed to bring a project from business idea to commercialization. At the final presentation sessions held on March 13th and 15th, 2023, the judges commented that all the teams gave excellent presentations, and that the participants' hard work was evident in their proposals.

For the second year, Sojitz also incorporated the Hassojitz Project into its training program for prospective employees set to join the company in FY2023. Standout teams from the program were selected to present their projects at the Hassojitz Project 2022 final presentation sessions.

### —Hassojitz Project 2023

For Hassojitz Project 2023, the fifth year of the program, employees were asked to submit proposals for promising new business fields and business models for Sojitz s to pursue under the theme of "Innovate with Passion." After a strict judging process, a total of 78 proposals were narrowed down to just 10. Teams were then formed for each proposal, and the participants began developing their ideas and working together towards commercialization.

Beginning in FY2023, Sojitz required all new graduate employees to submit an idea to the Hassojitz Project. As a result, 8 of the 10 chosen proposals were submitted by new employees. New employees also accounted for 28 of the total 45 participants, bringing their fresh ideas and unique perspectives to the program.

The final presentation sessions for Hassojitz Project 2023 were held over two days on March 13th and 18th. Two standout teams from the prospective employee Hassojitz program presented at the sessions, as well as the seven teams that remained following the judging process at the mid-term mark. Members of the judging panel commented that this year's presentations were the strongest they had seen in the five years of the project.



## Cultivating a Culture of Meaningful Interpersonal Engagement

At Sojitz Group, the value we create is derived from our human resources, and we believe that multilateral communication between employees plays a key role in the growth and development of individual organizations and the company at large. Active communication improves the quality of decision-making through the sharing of diverse opinions and information, fosters innovation through open-minded and creative thinking, and drives engagement and employees' motivation to contribute to company goals and targets.

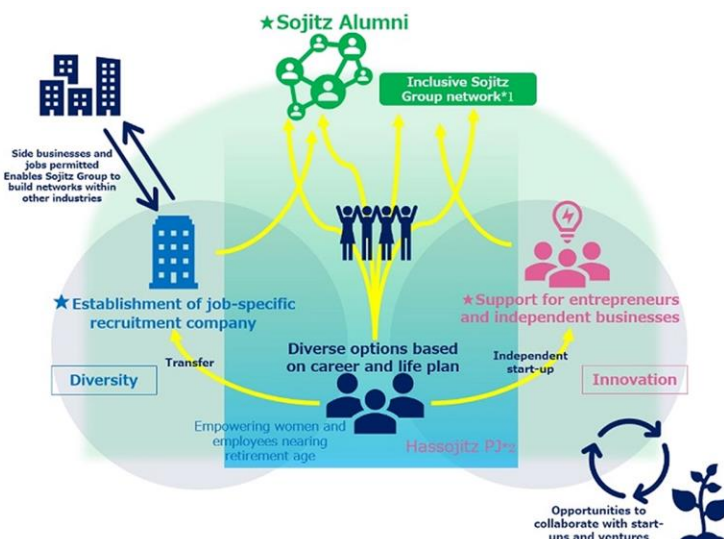
We believe that our vision for human capital management can be realized when diverse teams of independent individuals reflect on what unique qualities define the Sojitz identity from their perspective and embody those characteristics in their daily work.

In April 2023, we launched the Sojitz Identity Project, an interactive project involving the entire company. The project included interviews with individuals both inside and outside the company to understand current attitudes and perspectives, workshops with a group of core members selected from each organization, and discussions with members of management. This process allowed us to define in concrete terms the unique Sojitz identity and our vision for the future at both the individual and company levels. In order to achieve our vision for 2030, we strive to ensure that employees take ownership of and articulate the vision in their own words. In this way, we aim to align employees' daily efforts with management goals as we unite as an organization to link the strength of our human resources to the strength of the company.

## Sojitz Alumni (established April 2021)

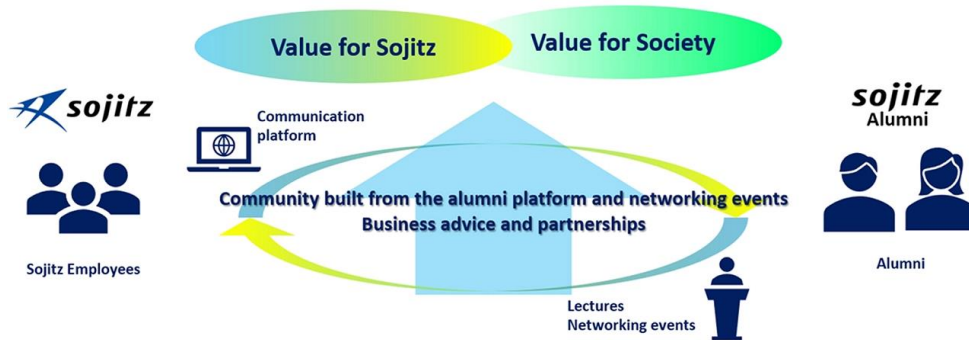
In recent years, the external environment has changed drastically as a result of labor shortages, shifts in career-related values, and the adoption of new working styles in which individuals hold side businesses and jobs. In light of these circumstances, Sojitz aims to ensure that its employees are able to work with a high degree of motivation and experience professional growth by offering employees the option to pursue diverse working styles.

In addition, Sojitz seeks to create greater opportunities for business and open innovation through these new initiatives, which include the formation of an inclusive Sojitz Group network that will create new business opportunities that expand beyond the company's current business areas.



Sojitz has established Sojitz Alumni as a business networking platform to foster connections among Sojitz's former employees and between current and former members of the company. As a network first proposed by former Sojitz employees, Sojitz Alumni has been approved and authorized as an official Sojitz organization, and Sojitz supports operation of this platform.

Members of Sojitz Alumni are selected to participate in seminars and lectures, provide advice on projects, support business creation, introduce and secure funding sources, participate as judges in Sojitz presentations, engage in regular and individual meetings with Sojitz employees, and provide consultations through an exchange of opinions.



## Related Links :

> [Sojitz Alumni](#)

## Support for Entrepreneurs and Independent Business (implemented from April 2021)

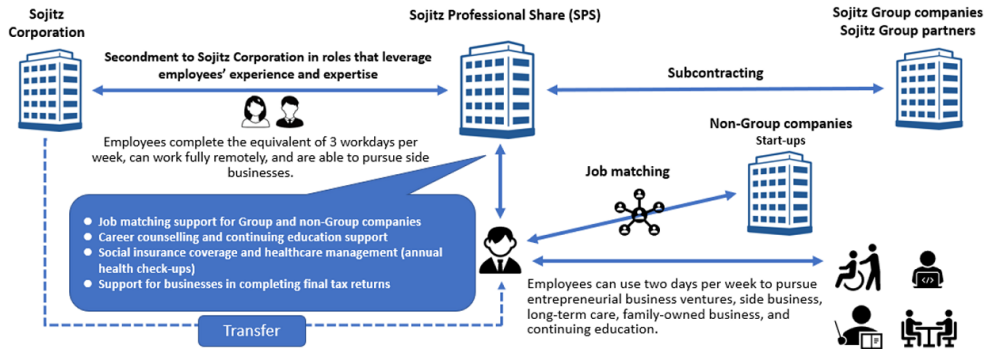
Sojitz supports employees who intend to start their own businesses by providing Sojitz's resources—including funding, information, and networks—to promote these business ventures. The company also plans to have members of Sojitz Alumni, who are working outside the company, offer advice and funding to these start-ups. Each year, Sojitz holds an in-house business contest, the Hassojitz Project, through which ideas developed can now be commercialized and established as independent businesses through this funding initiative.

As a general trading company that continues to create business and develop capable people, Sojitz will support the desired career paths of all employees, including individuals who seek to become entrepreneurs and establish their own independent businesses. At the same time, Sojitz strives to hire and develop proactive challenge-takers with an entrepreneurial spirit to transform the company's corporate culture.

## Sojitz Professional Share (established March 2021)

Sojitz established Sojitz Professional Share (SPS), that offers job-based employment through a career platform available for employees over the age of 35 with over 10 years of work experience. The company aims to support employees in furthering their career goals. Through SPS's job-matching platform, employees are offered diverse and expansive career path choices including jobs for individuals over retirement age and jobs with flexible working hours and locations. SPS also supports employees establishing start-ups or side businesses. Employees that transfer to SPS are able to apply the skills and experiences they acquired at Sojitz to businesses outside the company in order provide new value under this framework.

## Overview of Sojitz Professional Share



## 4-2. Basic HR Strategy 2: Strengthen section managers' ability to maximize the full potential of each individual

To link the development of diverse, self-directed individuals to the growth of each of our organizations and the company as a whole with the enhancement of corporate value, we consider it imperative to strengthen section managers, who act as intermediaries between senior management and non-managerial employees in the process of executing strategies and enhancing engagement.

### Enhance Group Capabilities by Strengthening Section Managers

In order to maximize the potential of our employees, who are the source of our value creation, we believe it is important to strengthen management capabilities that draw out employees' strengths and enhance organizational capabilities through dialogue. After analyzing the results of the engagement survey (99% response rate in FY2022), we found that section managers, who are the closest to on-site businesses, have a significant impact on organizational engagement. Compared to general managers, section managers have a greater influence on improving organizational engagement, so we are focusing on strengthening section managers' capabilities.

Data has revealed that organizations with section managers possessing excellent communication tend to be organizations with high levels of collaboration, where employees demonstrate a willingness to take on new challenges, and experience a sense of growth. At Sojitz, we are improving communication skills as a top priority in order to strengthen section managers' capabilities by implementing measures to strengthen these skills through training programs. Moving forward, we aim to further improve the quality of dialogue, enhance organizational leadership, and strengthen our business creation and management capabilities.

### Development of Talent who Constantly Deliver Results (Training Program)

We will continue to develop highly skilled talent through dialogue and provide various training programs that encourage employee growth and benefit both Sojitz (by securing the organizational capability required to execute strategies) and employees (by developing an individual's skills and career). Training opportunities, like the DX expert training program, are provided to employees of all ages and ranks.

We also provide off-the-job training designed for employees of specific age groups and career stages, including junior employees, managerial staff, and executive officers. Through these training programs, we aim to link the growth of individuals to the development of teams and the overall organization.

We also provide selective training programs that cultivate the next generation of leaders. Sojitz designed these programs to improve organizational resilience and systematically foster candidates for future managerial positions by building a robust pool of human resources.

Moreover, we aim to help individuals gain the fundamental knowledge required of a manager, as well as acquiring advanced management skills. To achieve this, we employ experts to provide coaching, provide opportunities to build networks with managerial personnel at other companies, and send employees to receive professional coaching and cross-industry training.

## MBA Program

The MBA program allows employees to attend business schools where they undergo intensive training and learn a wide range of advanced skills that are difficult to acquire through on-the-job training alone. The goal of the program is to foster human resources who can adapt to globalization and the rapidly changing business environment worldwide. Junior and mid-career employees are dispatched to MBA programs in Japan and overseas where they develop the entrepreneurial spirit and leadership skills that will equip them to plan, prepare, and develop new core businesses for Sojitz.

## Training Programs for Managers

### —Programs for Management

Sojitz conducts group training programs and selective leadership trainings which correspond to each stage of professional growth and the rapidly changing business environments for general trading companies. These trainings aim to foster managers who can lead groups of diverse and self-driven employees.

At group trainings, managers deepen their understanding of business management issues and develop the ability to approach matters from a management perspective. The trainings provide members of leadership with the management skills necessary to successfully foster diversity within the organizations they lead and to maximize results.

Sojitz also implements the 360-degree survey framework as a method to encourage managers to continuously improve their managerial mindset and behavior. Through these surveys, managers receive valuable feedback not readily obtainable through day-to-day work, which allows managers to take notice of any existing issues and take steps to remedy them. The 360-degree survey seeks to enhance the work environment and encourage greater engagement from every member of the organization.

### —Leadership Training for General Managers

Since 2011, Sojitz has held action learning-based trainings for select general managers in order to strengthen their ability to manage teams and formulate organizational strategies. At these sessions, external consultants are brought in to facilitate discussions among managers regarding the business and organizational challenges present within their respective departments. Using the results of the 360-degree survey and objective insights from the external consultant, each general manager reviews their strategy and vision for their organization, thereby refining their ability to strategize, identify root issues, lead teams, and motivate stakeholders. This process aims to equip members of leadership with the tools to not only craft a strategic vision, but also make those strategies more realistic and attainable. A total of 21 managers who have participated in general manager selective leadership trainings have been promoted to the level of executive officer or higher (as of April 2024).

Sojitz also conducts an employee exchange program in which managers are seconded to companies in a variety of industries. The program aims to allow employees to cultivate the qualities of a corporate leader, acquire advanced management skills, and network with management teams from other companies.

## Expanding Opportunities for Administrative-track Employees

In an effort to provide our outstanding administrative-track employees with opportunities for increased engagement and to create new career path options, we introduced a new upper tier of job grades in July 2019, as well as a new region-specific career track. In the same year, we also revised our human resource system to enable staff within higher job grades to transfer to the region-specific career track. We are promoting the further success of highly skilled administrative-track employees through these revisions and providing various educational opportunities, including career counseling and other initiatives, to encourage employees to pursue a wide range of career paths.

Additionally, in August 2019, we modified our training system with the aim of supporting administrative-track employees to up-skill and create new opportunities to excel. Employees can choose from more than 200 courses based on their individual and organizational needs, and the number of participants has been increasing every year.

## Job Rotation and Internal Recruitment Systems

### Fostering Growth through On-site Work Experience

In addition to off-the-job trainings (OFF-JT) in which employees step away from their daily tasks to participate in internal trainings and self-guided development programs, Sojitz also focuses on on-the-job (OJT) training initiatives, which are conducted as part of employees' daily work in order to foster the growth of new employees through on-site work experience.

Sojitz provides new employees with on-the-job-training through its peer mentor system and senior mentor system. Peer mentors support new employees as they learn their work responsibilities, and senior mentors provide counsel and emotional support. These senior employees act as role models and help new employees develop into confident and capable team members.

Peer mentors are paired with new recruits within their organization, while senior mentors belong to different departments than their mentees. Through bimonthly meetings, senior mentors take a broader perspective in order to help expand their mentee's horizons and support them as they create a plan for their career.



Mentee: Miho Otomasu / Ferroalloys Sect., Metal Resources Dept., Metals, Mineral Resources & Recycling Division

Peer mentor: Kensaku Kawazoe / Ferroalloys Sect., Metal Resources Dept., Metals, Mineral Resources & Recycling Division

Senior mentor: Tetsuya Takahashi / Planning & Administration Sect., Planning & Administration Office, Metals, Mineral Resources & Recycling Division

#### Relevant link :

> [\\*Article featuring employee discussion on company mentor systems: New Employees + Peer Mentors and Senior Mentors](#)

## 4-3. Basic HR Strategy 3: Anticipate the changing business environment and allocate human resources flexibly

Sojitz will flexibly and systematically cultivate, allocate, and appoint its human resources to continue addressing significant changes in the business environment, such as technological advancements, heightened geopolitical risks, and diversifying customer needs. This flexible allocation system will allow us to raise value creation and value enhancing capabilities required to achieve our vision for 2030.

### Cultivation of Human Resources by Providing Diverse Opportunities (Job Rotation System and Internal Recruitment System)

## Job Rotation and Internal Recruitment Systems

Sojitz aims to promote the professional growth of employees and broaden their career paths through initiatives such as the job rotation system, which enables employees to acquire a diverse range of expertise and skills and bring new energy to their organizations by gaining experience in different positions within the company. In addition, the internal recruitment system allows employees to reach their full potential and carve out their own career path by voluntarily applying for development opportunities.

Under the job rotation system, employees must have experience in two or more roles (including secondment and overseas assignment) in order to be considered for a managerial position. This system contributes to the development of leaders who have diverse expertise and skills. In FY2020 we reduced the number of years required to receive certain promotions as part of our efforts to accelerate the speed at which our employees gain important work experience.

**Under the internal recruitment system, an average of 8 employees have been transferred in the last 2 years.**

## Career Planning

Sojitz actively facilitates dialogue between employees and their managers in order to support each individual as they grow and create their own career path. At career planning meetings, employees discuss their career in terms of three key elements: 1) the employee's current skills and experiences, 2) the next steps of their career path, and 3) the overall trajectory the employee should pursue to achieve their unique career goals. Through these dialogues, Sojitz aims to connect the growth of individuals to the growth of the organization by fostering deeper mutual understanding between employees and their managers as they work together to consider the next steps of the employee's career plan.

## Data-driven Strategy for Flexible and Systematic Employee Allocation and Development

Sojitz utilizes human resource data (data science) to further strengthen both individuals and organizations. We pursue a data-driven HR strategy, conducting multifaceted analysis of HR data and the results of surveys including the Engagement Survey, 360-degree survey, and other company-wide surveys. In addition, Sojitz leverages a company-wide talent management system to promote multilateral communication, optimize talent allocation, ensure fair and equitable employee feedback, and provide visualizations of employee growth. Through these initiatives, Sojitz strives to link individuals to their organizations through data and establish a solid foundation for human capital management.

### Relevant link :

> [「社員が組織を変える」データ活用によるエンゲージメント向上に向けた取り組み](#)

## 4-4. Systems and Initiatives Supporting the Activities of Diverse Human Resources

Sojitz Group believes that the growth of the company is based on the growth of its employees. We are therefore committed to developing a workplace environment that ensures all employees, with their own diverse values and career ambitions, can maintain high levels of motivation and continue to grow and follow their ambitions.

### Relevant link :

> [Health and Safety](#)

## 4-5.Group-wide Initiatives to Accelerate Improvement of Corporate Value

### ■ Employee Shareholding Association and Granting of Shares

Sojitz aims to foster Group-wide awareness on the importance of improving the company's corporate value and share price. In addition to returning profits to shareholders, Sojitz strives to further motivate employees to develop a sense of ownership and contribute to efforts to improve corporate value by granting shares to both Sojitz Corporation and Sojitz Group members as the employees who drive business creation at Sojitz. In May 2023, Sojitz granted 100 shares as a special incentive to members of the Employee Shareholding Association. As of March 2024, around 90% of Sojitz employees are members of the Shareholding Association. To channel the flow of funds from profit expansion to the growth of our employees and businesses, we will accelerate initiatives across the Group to improve corporate value. Sojitz will also offer special remuneration to employees if KPIs under MTP 2026 are achieved.

### ■ Defined Contribution Pension Plan

Sojitz has established a defined contribution pension plan as part of its efforts to support all employees and enhance corporate value, and this plan prioritizes employees' medium- to long-term financial stability and well-being. Through the plan, Sojitz supports employees in systematically building assets for the future based on the principles of personal responsibility and self-reliance.

#### Relevant link :

> [従業員持株会のインタビュー記事：持株会×ファイナンシャル・ウェルネス](#)

# Social Data

For all items marked with a © below, Sojitz has acquired third-party assurance from KPMG AZSA Sustainability Co., Ltd. The following items represent figures as of and for the fiscal year ended March 31st.

## 1. Scope of assurance

- (1) Items related to Human capital KPI targets
  - Non-consolidated: Challenge-taking index, openness index, percentage of female career track employees with domestic or overseas working experience (percentage of female career track employees with domestic or overseas working experience, including trainee experience), percentage of all career track employees who have completed DX Expert Training experienced level program (percentage of all career track employees who have completed DX Expert Training expert level program)
  - Consolidated: Percentage of locally hired overseas operating company CxOs
- (2) Items related to social performance indexes
  - Non-consolidated: LTIFR (Lost-Time Injuries Frequency Rate), OIFR (Occupational Illness Frequency Rate), work-related accidents and fatalities suffered by permanent employees, work-related accidents and fatalities suffered by contract employees, turnover rate, labor union membership rate, stock ownership association participation rate, average hours of training
- (3) Items related to empowerment of Women in the workplace
  - Non-consolidated: Percentage of women employees, percentage of women management-level employees, percentage of women hired, difference between men and women in years of continuous employee service, percentage of female directors

Independent Practitioner's Limited Assurance Report can be found [here](#) [PDF : 701KB].

## 2. Human Capital KPI Targets Data

| Data Items   | Unit | Year Ended<br>31-MAR-25<br>(FY2024) | Targets<br>(FY2026) |
|--|------|-------------------------------------|---------------------|
| Challenge-taking index*1   |      | 66◎                                 | 70                  |
| Openness index*1   |      | 53◎                                 | 70                  |
| Percentage of female career track employees with domestic or overseas working experience *2<br>(Percentage of female career track employees with domestic or overseas working experience, including trainee experience) *3 | %    | 22◎                                 | 25                  |
| Percentage of locally hired overseas operating company CxOs *4   |      | (52)◎                               | (60)                |
| Percentage of all career track employees who have completed DX Expert Training experienced level program   |      | 49◎                                 | 60                  |
| (Percentage of all career track employees who have completed DX Expert Training expert level program) *5   |      | 24◎                                 | 50                  |
|  |      | (5)◎                                | (10)                |

- \*1 The positive affirmation ratio from engagement surveys  
The ratio of respondents who chose Option 1: "Strongly agree" or Option 2: "Agree" out of six options  
The survey targets individuals who were employed as of the end of November 2024 (a 99% response rate).
- \*2 Percentage of female career track employees (non-consolidated) at Sojitz who have domestic/overseas secondment, or expatriation experience.
- \*3 Percentage of female career track employees (non-consolidated) at Sojitz who have domestic/overseas secondment, expatriation, or trainee experience.  
The ratio of employees with experience, including trainees, as outlined in the 2023 Medium-Term Plan's Human Capital KPIs, will continue to be monitored. The target has been revised upward from 50% to 60%
- \*4 Percentage of full-time directors of overseas consolidated group companies who are either locally hired or from the same country of origin where the company is based and have lived in the country for a total of 10 years or more.
- \*5 The training contents for developing digital talent are periodically updated to align with market needs for implementation in the business (A new Business Architecture training course was established in FY2024).

Actual values for Human Capital KPIs are rounded to one decimal place. If the target value is not reached, but does due to rounding a note will be made to that effect.

[Human Capital Management](#)



### 3. Employee Data

| Data Items                                     |   | Unit                  |         | Year Ended 31-MAR-21 (FY2020) | Year Ended 31-MAR-22 (FY2021) | Year Ended 31-MAR-23 (FY2022) | Year Ended 31-MAR-24 (FY2023) | Year Ended 31-MAR-25 (FY2024) |
|--|---|-----------------------|---------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Number of employees (consolidated)             |   | -                     | Persons | 19,463                        | 20,673                        | 20,669                        | 22,819                        | 25,118                        |
| Number of employees (non-consolidated) *1      | Employees   | All employees         | Persons | 2,551                         | 2,558                         | 2,523                         | 2,513                         | 2,486                         |
|  |   | Male                  |         | 1,835                         | 1,823                         | 1,754                         | 1,717                         | 1,680                         |
|  |   | Female                |         | 716                           | 735                           | 769                           | 796                           | 806                           |
|  |   | Percentage of females | %       | 28.1                          | 28.7                          | 30.5                          | 31.7                          | 32.4◎                         |
|  | Career-track employees                                    | All employees         | Persons | 2,017                         | 1,999                         | 1,978                         | 1,977                         | 1,976                         |
|  |   | Male                  |         | 1,730                         | 1,697                         | 1,643                         | 1,611                         | 1,579                         |
|  |   | Female                |         | 287                           | 302                           | 335                           | 366                           | 397                           |
|  |   | Percentage of females | %       | 14.2                          | 15.1                          | 16.9                          | 18.5                          | 20.1                          |
|  | Management level employees                                | All employees         | Persons | 1,008                         | 972                           | 941                           | 910                           | 887                           |
|  |   | Male                  |         | 954                           | 915                           | 884                           | 852                           | 827                           |
|  |   | Female                |         | 54                            | 57                            | 57                            | 58                            | 60                            |
|  |   | Percentage of females | %       | 5.4                           | 5.9                           | 6.1                           | 6.4                           | 6.8◎                          |
|  | Directors *2  | All directors         | Persons | 7                             | 8                             | 8                             | 8                             | 11                            |
|  |   | Male                  |         | 5                             | 6                             | 6                             | 6                             | 7                             |
|  |   | Female                |         | 2                             | 2                             | 2                             | 2                             | 4                             |
|  |   | Percentage of females | %       | 28.6                          | 25.0                          | 25.0                          | 25.0                          | 36.4◎                         |
|  | Directors who are Audit and Supervisory Committee Members | All directors         | Persons | -                             | -                             | -                             | -                             | 4                             |
| Male   |   | -                     |         | -                             | -                             | -                             | 2                             |                               |
| Female   |   | -                     |         | -                             | -                             | -                             | 2                             |                               |
| Age composition                                | 22~29   | All employees         | Persons | 614                           | 594                           | 563                           | 554                           | 569                           |
|  |   | Male                  |         | 333                           | 312                           | 270                           | 261                           | 264                           |
|  |   | Female                |         | 281                           | 282                           | 293                           | 294                           | 305                           |
|  | 30~39   | All employees         | Persons | 536                           | 581                           | 626                           | 656                           | 659                           |
|  |   | Male                  |         | 402                           | 430                           | 449                           | 443                           | 430                           |
|  |   | Female                |         | 134                           | 151                           | 177                           | 213                           | 229                           |
|  | 40~49   | All employees         | Persons | 561                           | 511                           | 489                           | 499                           | 480                           |
|  |   | Male                  |         | 430                           | 395                           | 374                           | 386                           | 376                           |
|  |   | Female                |         | 131                           | 116                           | 115                           | 113                           | 104                           |
|  | 50~59   | All employees         | Persons | 721                           | 728                           | 708                           | 667                           | 647                           |
|  |   | Male                  |         | 590                           | 578                           | 564                           | 529                           | 514                           |
|  |   | Female                |         | 131                           | 150                           | 144                           | 138                           | 133                           |
| 60~  | All employees   | Persons               | 119     | 144                           | 137                           | 136                           | 131                           |                               |
|  | Male  |                       | 80      | 108                           | 97                            | 97                            | 96                            |                               |
|  | Female  |                       | 39      | 36                            | 40                            | 39                            | 35                            |                               |
| Continuous employee service (non-consolidated) | -   | All employees         | Year    | 15.4                          | 15.4                          | 15.4                          | 15.2                          | 15.0◎                         |
|  | -   | Male                  |         | 16.9                          | 17.0                          | 17.1                          | 17.1                          | 17.1◎                         |
|  | -   | Female                |         | 11.6                          | 11.5                          | 11.5                          | 11.1                          | 10.7◎                         |
| Average annual remuneration                    | -   | -                     | Yen     | 10,958,725                    | 10,382,838                    | 12,084,855                    | 12,471,658                    | 12,742,594                    |
| Annual paid leave                              | Average number of days                                    | -                     | Days    | 15.9                          | 16.9                          | 18.4                          | 19.7                          | 19.4                          |
|  | Percentage taken  | -                     | %       | 64.4                          | 68.7                          | 73.7                          | 78.6                          | 77.6                          |
| Childcare Leave taken *3                       | -   | All employees         | Persons | 60                            | 60                            | 67                            | 78                            | 88                            |
|  | -   | Male                  |         | 34                            | 45                            | 46                            | 49                            | 51                            |
|  | -   | Female                |         | 26                            | 15                            | 21                            | 29                            | 37                            |
| Childcare Leave taken *4                       | -   | All employees         | Persons | -                             | (87)                          | (100)                         | 100(97)                       | 100(98)                       |
|  | -   | Male                  |         | -                             | (83)                          | (100)                         | 100(96)                       | 100(96)                       |
|  | -   | Female                |         | -                             | (100)                         | (100)                         | 100(100)                      | 100(100)                      |

|  |   |                       |         |         |      |      |      |       |
|--|---|-----------------------|---------|---------|------|------|------|-------|
| Percentage of employees that return to work after taking childcare leave | -   | -                     | %       | 100     | 94.1 | 96.3 | 94.7 | 87.5  |
| Turnover rate (voluntary turnover only, non-consolidated) *5             | Number (people)   | All employees         | Persons | 71      | 122  | 139  | 114  | 82◎   |
|  |   | Male                  |         | 62      | 84   | 107  | 82   | 56◎   |
|  |   | Female                |         | 9       | 38   | 32   | 32   | 26◎   |
|  | Percentage  | -                     | %       | 2.7     | 4.6  | 5.2  | 4.3  | 3.4◎  |
| Number of employees hired  | Number of new graduates hired (non-consolidated) *6                       | All employees         | Persons | 117     | 86   | 90   | 106  | 124◎  |
|  |   | Male                  |         | 60      | 47   | 39   | 57   | 60◎   |
|  |   | Female                |         | 57      | 39   | 51   | 49   | 64◎   |
|  |   | Percentage of females |         | 49      | 45   | 56.7 | 46.2 | 51.6◎ |
|  | Number of mid-career persons hired (non-consolidated)                     | All employees         | Persons | 30      | 35   | 40   | 46   | 42◎   |
|  |   | Male                  |         | 14      | 23   | 31   | 29   | 27◎   |
|  |   | Female                |         | 16      | 12   | 9    | 17   | 15◎   |
|  |   | Percentage of females |         | 53      | 34   | 22.5 | 37.0 | 35.7◎ |
|  | Percentage of full time mid-career persons hired                          | -                     | %       | 20.4    | 28.9 | 30.8 | 30.3 | 25.3  |
|  | Persons with disabilities hired   | Number                | -       | Persons | 59   | 66   | 72   | 72    |
| Percentage   |   | -                     | %       | 2.25    | 2.39 | 2.60 | 2.63 | 2.61  |
| Labour union membership rate (non-consolidated)                          | Company wide labor union membership rate                                  | -                     | %       | 54      | 54   | 55.0 | 56.5 | 57.4◎ |
|  | Labor union membership rate of employees eligible for enrollment *7       | -                     | %       | 99      | 98   | 98.4 | 98.8 | 98.5◎ |
| Stock Ownership Association Participation Rate                           | Percentage of employees who are members of stock ownership association *8 | -                     | %       | 48      | 45   | 57   | 89   | 87.7◎ |

\*1 Includes full-time contract employees.

\*2 Our company transitioned to a company with an Audit and Supervisory Committee following the General Shareholders' Meeting held on June 18, 2024.

For more information on our governance structure, please visit our [website](#).

\*3 Number of employees who began childcare leave within the fiscal year.

\*4 Percentage of employees who took childcare leave within one year after the birth of their child, including those whose child was born in the relevant fiscal year and are planning to take it in the next fiscal year.

Parentheses indicate the childcare leave acquisition ratios on a "statutory basis", which are in accordance with the Enforcement.

Regulations of the Child Care and Family Care Leave Law, indicating the ratios of the number of employees who took childcare leave in the relevant fiscal year to the number of employees whose child was born in the relevant fiscal year.

\*5 Turnover rate indicates the percentage of employees who left voluntarily. It is calculated by dividing the number of voluntary turnovers in FY2023 by the number of employees and voluntary turnovers in FY2023.

The data aggregation method has been reviewed, and some definitions have been revised.

From FY2023, the number of employees who left company has been calculated by deducting the number of employees transferred to affiliated companies.

From FY2024, the number of employees who left company has been calculated by deducting the number of employees accompanying spouses or those with caregiving responsibilities.

- \*6 Number of women hired as new graduates including administrative employees. Notation of numbers is rounded off to the first decimal place from FY 2022.
- \*7 Percentages are under 100% as some employees cannot become union members based on departmental affiliation.
- \*8 Includes non-residents employees who have expressed an intention to join from FY2023.

For FY2021 and prior, numbers are rounded up to the first decimal place, excluding numbers for labor union membership rates which are rounded down.

For FY2022 and onwards, numbers are rounded to the nearest whole number, including numbers for labor union membership rates.

## 4. Occupational Health and Safety Data (Non-Consolidated)

We have the goal of achieving zero occupational accidents and zero fatalities and are monitoring the occurrence of accidents. In the event of an occupational accident, we have established a system to identify the cause and implement measures to prevent recurrence if deemed necessary.

| Data Items            |  | Unit    | Targets | Year Ended 31-MAR-21 (FY2020) | Year Ended 31-MAR-22 (FY2021) | Year Ended 31-MAR-23 (FY2022) | Year Ended 31-MAR-24 (FY2023) | Year Ended 31-MAR-25 (FY2024) |
|-----------------------|--|---------|---------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Work-related accident | Illness/injury resulting in a leave of absence           | Persons | 0       | 0                             | 0                             | 0                             | 0                             | 1                             |
|                       | Total days missed due to leave of absence                | Days    | 0       | 0                             | 0                             | 0                             | 0                             | 1                             |
|                       | Illness/injury that did not result in a leave of absence | Persons | 0       | 1                             | 1                             | 0                             | 1                             | 1                             |
| Commuting accident    | Illness/injury resulting in a leave of absence           | Persons | 0       | 0                             | 0                             | 0                             | 0                             | 0                             |
|                       | Total days missed due to leave of absence                | Days    | 0       | 0                             | 0                             | 0                             | 0                             | 0                             |
|                       | Illness/injury that did not result in a leave of absence | Persons | 0       | 0                             | 5                             | 0                             | 2                             | 2                             |
| Fatalities            |  | Persons | 0       | 0                             | 0                             | 0                             | 0                             | 0                             |
| LTIFR *1              |  | —       | 0.00    | 0.00                          | 0.00                          | 0.00                          | 0.00                          | 0.28◎                         |
| Industry average *2   |  | —       | —       | 2.27                          | 2.31                          | 1.98                          | 2.43                          | —                             |
| OIFR *3               |  | —       | 0.00    | 0.00                          | 0.00                          | 0.00                          | 0.00                          | 0.00◎                         |

There is no accidents occurred to the contract and temporary employees that are not targeted above.

- \*1 LTIFR (Lost Time Injuries Frequency Rate) = Number of lost-time injuries ÷ Total hours worked in accounting period x 1,000,000.
- \*2 Industry averages are taken from the data of the Japan's Ministry of Health, Labor and Welfare's Research on Work-related Accident Trends.  
We will provide additional information after the publication.

\*3 OIFR(Occupational Illness Frequency Rate) = (Number of injuries and/or illnesses instances of leave taken) ÷ Total hours worked in accounting period x 1,000,000.

## 5. Human Capital Development Data

| Data Items   | Unit    | Year Ended 31-MAR-21 (FY2020) | Year Ended 31-MAR-22 (FY2021) | Year Ended 31-MAR-23 (FY2022) | Year Ended 31-MAR-24 (FY2023) | Year Ended 31-MAR-25 (FY2024) |
|--|---------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Number of employees receiving training (cumulative total) *1 | Persons | approx. 5,200                 | approx. 26,000                | approx. 56,000                | approx. 62,200                | approx. 47,200                |
| Total training hours *1                                      | Hours   | approx. 38,000                | approx. 39,300                | approx. 55,000                | approx. 54,800                | approx. 68,600                |
| Average hours of training *1,2 ◎                             | Hours   | 16                            | 17                            | 27                            | 23                            | 30◎                           |
| Overseas trainee program Participants                        | Persons | 5                             | 39                            | 55                            | 69                            | 39                            |
| Short-term   | Persons | 1                             | 10                            | 20                            | 18                            | 14                            |
| Long-term  | Persons | 4                             | 29                            | 35                            | 51                            | 25                            |

\*1 ● Training refers to employee training, including self-development training, conducted by the Human Capital Department, and e-learning, ISO 14001 environmental standards and CSR training programs provided by other departments.

● Notation of numbers is rounded off to the first decimal place.

● After FY2022 : The basis for calculating e-learning training was revised, and in addition to training with video, training without video was calculated using the actual median of the participants' training hours, thus increasing the total hours of training attended.

<How to calculate e-learning training hours>

● Video-only training...Video viewing time x number of trainees who completed the training

● Combined training with videos: Actual median training time x number of trainees who completed the training

● Combined training with video refers to "training courses that do not include video but only include viewing of materials" and "training courses that include video and viewing of materials."

\*2 Employees cover Sojitz (non-consolidated) employees, excludes directors, executive officers, Audit & Supervisory Board members and employees who retired as of March 31.



# Governance

- [Corporate Governance](#)
- [Risk Management](#)
- [Compliance](#)

# Corporate Governance



## 1. Policy and Basic Approach

### 1-1. Basic Policy on Corporate Governance

We strive to improve our corporate value over the medium- to-long term based on the Sojitz Group Statement—"The Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity," as well as Sojitz's vision for 2030—becoming "a general trading company that constantly cultivates new businesses and human capital."

In order to materialize this vision, based on our belief that the enhancement of our corporate governance is an important issue of management, we have built the following corporate governance structure in our effort to establish a highly sound, transparent, and effective management structure, while also working toward the fulfillment of our management responsibilities and accountability to our shareholders and other stakeholders.

## 2. Systems

### 2-1. Corporate Governance System

#### Management and Operation Execution System

We employ an executive officer system for the purpose of clarifying authority and responsibilities and ensuring smooth and swift execution of business through the separation of management supervision and decision-making from operational execution.

The Board of Directors is the highest decision-making body for reviewing and resolving fundamental basic policies and the most important matters concerning the management of the Group. The Board of Directors also supervises operational execution through proposals of important matters and regular reports from the executive function.

The executive function comprises the Management Committee, chaired by the President, who is also the Chief Executive Officer. The Management Committee is responsible for the review and approval of important managerial and executive agendas from a Group-wide and medium- to long-term viewpoint. In addition, we have established the Finance & Investment Deliberation Council for the review and approval of important investments and loans, the Human Resource Deliberation Council for the review and approval of major human resource matters, and internal committees to handle issues to be addressed from cross-organizational perspectives. All of these bodies report directly to the President.

The term of Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers is set at one year in order to facilitate swift and appropriate responses to rapid changes in the operating environment to clarify responsibilities related to management.

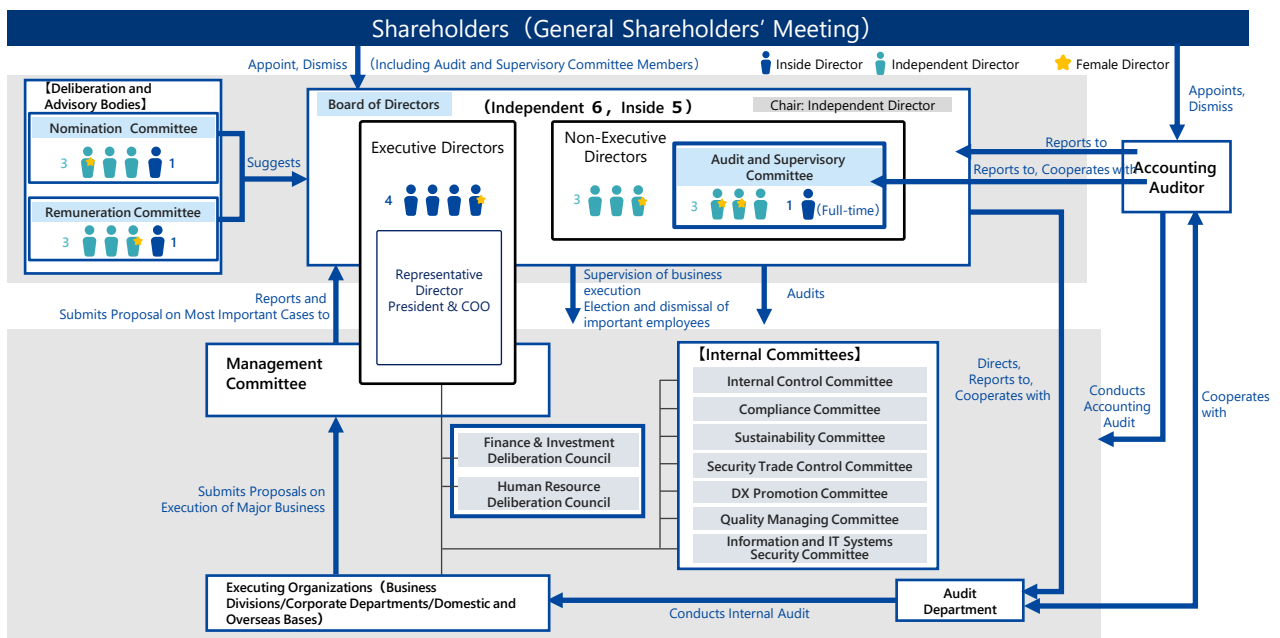
## Monitoring and supervisory functions for management

To enhance the Board of Directors' oversight of business operations and to ensure the receipt of objective and diverse counsel, the majority of the Board of Directors is comprised of Independent Directors, and the Chair of the Board of Directors is an Independent Director.

Sojitz is a Company with Audit and Supervisory Committee. Under this system, Audit and Supervisory Committee Members, the individuals responsible for auditing the execution of duties of Directors, also serve as members of the Board of Directors. This will enable us to reflect audit results in discussions at the Board of Directors meetings, seeking to further strengthen the supervisory function of the Board of Directors.

Furthermore, the majority of the members of the Nomination Committee and the Remuneration Committee, which provide advisory services to the Board of Directors, are Independent Directors, and the Chairs of these committees are Independent Directors, ensuring the appropriateness and transparency of the appointment and remuneration of Directors.

## Corporate Governance Framework (as of June 18, 2025)

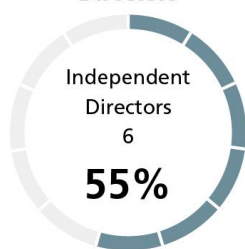


## Overview of Corporate Governance System (as of June 18, 2025)

|  |  |
|--|--|
| Organization Structure                                 | Company with Audit and Supervisory Committee   |
| Number of Directors                                    | 11 (6 of whom are Independent Directors)   |
| Chair of the Board of Directors                        | Tsuyoshi Kameoka (Independent Director)  |
| Number of Audit and Supervisory Committee Members      | 4 (3 of whom are Independent Audit and Supervisory Committee Members)  |
| Presence of Executive Officer System                   | Yes  |
| Optional Advisory Committees to the Board of Directors | Nomination Committee and Remuneration Committee  |
| Accounting Auditor                                     | KPMG AZSA LLC  |
| Corporate Governance Report                            | <a href="https://www2.jpx.co.jp/disc/27680/140120251222523903.pdf">https://www2.jpx.co.jp/disc/27680/140120251222523903.pdf</a><br>We implement all principles established in the Corporate Governance Code. |

## Composition of the Board of Directors

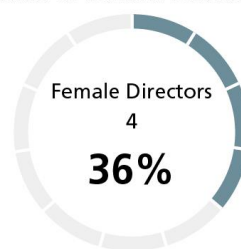
### Ratio of Independent Directors



### Ratio of Non-Executive Directors



### Ratio of Female Directors



## Number of Meetings and Attendance Rate of the Board of Directors and Other Bodies

### For FY2024

| Type of meeting                  | Number of meetings held in FY2024 | Attendance rate (*1)  |
|----------------------------------|-----------------------------------|---|
| Board of Directors               | 15 meetings                       | 100% attendance rate of Directors<br>100% attendance rate of Audit and Supervisory Board Members (*2) |
| Audit and Supervisory Committee  | 12 meetings                       | 100% attendance rate of Audit and Supervisory Committee Members                                       |
| Nomination Committee             | 7 meetings                        | 100% attendance rate of Nomination Committee Members  |
| Remuneration Committee           | 9 meetings                        | 100% attendance rate of Remuneration Committee Members  |
| Audit and Supervisory Board (*2) | 4 meetings                        | 100% attendance rate of Audit and Supervisory Board Members   |

\*1 Attendance rate is measured as a percentage of the number of meetings held since the appointment of each member.

\*2 We transitioned from a Company with Audit and Supervisory Board to a Company with Audit and Supervisory Committee in June 2024, and the results for FY2024 are shown here.

## 2-2. The Board of Directors

### The Board of Directors

As the highest decision-making body, the Board of Directors reviews and resolves fundamental policies and the most important cases concerning the Group's management, and also supervises business execution through proposals of important matters and regular reports from the executing body. The Independent Directors supervise the Executive Directors and overall system of business execution. They also provide opinions and advice on corporate governance.

## Election Policy of the Board of Directors and Procedure for Appointing Directors

In appointing candidates for Directors, we prioritize diversity and take into consideration gender, age, international experience, and other characteristics, and appoint multiple candidates who possess abundant experience, specialized knowledge, and advanced expertise from both inside and outside Sojitz, to ensure decision-making and management supervision appropriate to a general trading company involved in a wide range of businesses.

In line with the aforementioned policy, the Board of Directors deliberates on the experience and quality as an officer with respect to each Director candidate based on the results of discussion at the Nomination Committee, which provides advisory services to the Board of Directors, and resolves the candidate proposal for submission to the General Shareholders' Meeting for approval.

## Composition of the Board of Directors

The Board of Directors consists of 11 members (4 women and 7 men). The Board includes 4 Directors who are Audit and Supervisory Committee Members.

| Name               | Global | Company management | Legal/ Risk management | Business investment /M&A | Financial affairs/ accounting | Human Capital strategy/ Human Capital management | Internal controls | Environmental and social | Digital |
|--------------------|--------|--------------------|------------------------|--------------------------|-------------------------------|--|-------------------|--------------------------|---------|
| Masayoshi Fujimoto | ●      | ●                  | ●                      |                          |                               |  |                   | ●                        |         |
| Kosuke Uemura      | ●      | ●                  |                        | ●                        |                               | ●  |                   |                          |         |
| Makoto Shibuya     |        | ●                  |                        | ●                        | ●                             |  | ●                 |                          |         |
| Tomomi Arakawa     | ●      |                    |                        |                          |                               | ●  |                   | ●                        | ●       |
| Tsuyoshi Kameoka   | ●      | ●                  |                        | ●                        |                               |  |                   | ●                        |         |
| Ungyong Shu        | ●      | ●                  | ●                      | ●                        |                               |  |                   |                          |         |
| Yumiko Jozuka      |        |                    | ●                      |                          |                               | ●  | ●                 | ●                        |         |
| Yoshiki Manabe     |        |                    | ●                      | ●                        | ●                             |  | ●                 |                          |         |
| Haruko Kokue       | ●      | ●                  |                        |                          |                               |  | ●                 | ●                        |         |
| Satoko Suzuki      |        |                    | ●                      |                          | ●                             |  | ●                 | ●                        |         |
| Kazuhiko Takeda    | ●      | ●                  |                        |                          | ●                             |  |                   |                          | ●       |

\* The skills, careers, and expertise required for the Board of Directors will be reviewed in response to changes in the business environment and management policies.

\* Areas of particular attention should be paid to by each officer in supervising management are marked with (●).

\* For more information on each Director's career, please click [here](#).

### < Purpose of selection of each skill >

|                       |  |
|-----------------------|--|
| Global                | The Company believes that insights related to international circumstances, economics, and culture gained from overseas business management experience are important as we expand diverse businesses globally.  |
| Company management    | The Company believes that knowledge related to business management and corporate governance gained from management experience at business companies in and outside Japan and overseas operating sites as well as business execution experience at headquarters is important. |
| Legal/Risk management | The Company believes that knowledge to foresee important risks from business execution and oversee whether appropriate contractual practices and risk management are being conducted is important.   |

|   |  |
|---|--|
| Business investment/M&A                         | The Company believes that it is important to have knowledge to make business decisions and supervise business investments and M&A, taking into consideration the management strategy, governance policy, and social/environmental impact.  |
| Financial affairs/Accounting                    | The Company believes that expert knowledge in the fields of financial affairs, accounting, and tax affairs is important for sustainable growth, raising corporate value, and strengthening the financial foundation.   |
| Human Capital strategy/Human Capital management | The Company believes that knowledge about sustainable initiatives that strengthen human capital and improve organizational culture is important to become "a general trading company that constantly cultivates new businesses and human capital."   |
| Internal controls                               | The Company believes that expert knowledge of supervisory, confirmation, and control functions of business execution as well as the ability to supervise the appropriate compliance with laws and regulations, operation, and improvements is important.   |
| Environmental and social                        | The Company aims to generate two values: "value for Sojitz," which refers to business expansion and sustainable growth, and "value for society," which refers to regional economic development and environmental conservation. The Company believes that knowledge of international environmental and social issues is important in order to realize them. |
| Digital   | Under the banner of "Digital-in-All," the Company aims to utilize digital technology in all businesses. The Company believes that digital knowledge to oversee "offensive" DX such as transformation and generation of the business model and "defensive" DX such as improved efficiency and strengthening of security is important.                       |

## Matters Deliberated by the Board of Directors

The Board of Directors reviews and resolves fundamental matters concerning the management of Sojitz Group including management policies, plans, and important personnel, systems, and organizational matters. These deliberations are conducted based on relevant laws and regulations, the Articles of Incorporation, and the internal rules of the Board of Directors. The Board of Directors also reviews and resolves important matters related to business execution, such as important investments and loans.

Regarding the execution of business other than these matters resolved by the Board of Directors, the President & CEO and the executing bodies reporting to the President & CEO (namely the Management Committee, the Finance & Investment Deliberation Council, and the Human Resource Deliberation Council) review and approve matters depending on the content, scale, importance, and risks in each case.

In June 2024, the Company transitioned to a Company with Audit and Supervisory Committee. As a result, authority was passed from the Board of Directors to the Executive Directors. Also, in order to ensure effective and efficient debate in the Board of Directors for monitoring purposes, changes were made to systematize the previous report items and merge related proposals.

The Company establishes the annual schedule of the Board of Directors at the beginning of the fiscal year in order to properly ensure deliberation time in the Board of Directors for these important proposals as it takes efforts to standardize the number of proposals and meeting times.

## &lt; Main deliberations at the Board of Directors meetings held during FY2024 &gt;

|   |  |
|---|--|
| Growth strategy, Investment & Loans       | Development and progress report for Medium-Term Management Plan 2026<br>Acquisition of Australian infrastructure development company, other investments & loans, etc.  |
| Financial Results, Performance Progress   | Results-related, budget-related, quarterly financial progress reports, etc.  |
| Sustainability, Human Capital, Governance | Sustainability initiatives report, progress report on personnel policies, assessment of effectiveness of the Board of Directors, the Board of Directors' annual plan, Nomination and Remuneration Committees reports, etc.       |
| Internal Controls, Audits                 | Reports on the establishment and operation status of the internal control system (including reports from the Compliance Committee, Security Trade Control Committee, and other various committees), internal audit reports, etc. |
| DX, Systems                               | DX promotion activities report (status of initiatives for each DX measure, digital Human Capital development, AI governance, etc.), cyberattack response, etc.   |
| Others                                    | Executive personnel and remuneration, etc.   |

## Systems for Supporting and Sharing Information with Independent Directors

We take the following initiatives to enable Directors to appropriately fulfill their roles and responsibilities.

- The Board Meeting Operation Office has been established as an organization which is comprised of five full-time staff (as of the filing date of this report), who support the Directors by reporting to, providing information to, and communicating with Directors in a timely and appropriate manner.
- In order for Directors to deepen their understanding of proposal details, materials are distributed up to five business days before the pre-meeting briefing of the Board of Directors meeting in order to secure sufficient deliberation time. A pre-meeting briefing on proposals will be established up to two business days before the Board of Directors meeting to provide sufficient information about the proposals.
- We provide newly appointed Directors with opportunities to participate in lectures on the medium-term management plan, DX promotion activities, the internal control, risk management structure, IR and sustainability initiatives by each business executing department. In addition, external lawyers also provide lectures about the duties and responsibilities of Directors and Audit and Supervisory Committee Members.
- In order for Directors to deepen their understanding of the latest macroeconomic conditions, our research institute holds monthly briefing sessions. In addition, we provide other necessary information on an ongoing basis.
- We offer Directors opportunities to attend seminars, etc. held by external organizations as needed.

In addition, we establish opportunities to provide and share information with independent Directors as below, to deepen their understanding of the Company businesses, promote communication and mutual understanding between Directors, and facilitate constructive discussions in the Board of Directors meetings.

| <Event arranged in FY2024>   |                           |
|--|---------------------------|
| Information sharing meetings between Executive Directors and Independent Directors                                       | held monthly in principle |
| Off-site meetings among all Directors  | 2 times/year              |
| Independent Director meeting   | 1 time/year               |
| Meetings and opinion exchanges between Independent Directors who are and are not Audit and Supervisory Committee Members | 2 times/year              |
| Business office visits by Independent Directors  | 2 times/year              |
| Participation in summer sessions (2-day 1-night executive training camps) as observer                                    | 1 time/year               |
| Sharing materials from Management Committee and Finance & Investment Deliberation Council meetings                       |                           |
| Reports by securities analysts, and internal newsletters   |                           |
| Provide opportunities to participate in the Finance & Investment Deliberation Council meetings as an observe             |                           |

## Analysis/assessment of effectiveness of the Board of Directors

Each year, we analyze and assess the effectiveness of the Board of Directors as a whole in order to improve its functions. In FY2024, upon the transition to a Company with Audit and Supervisory Committee, in order to further enhance the function of the Board of Directors, the Company hired an independent third party (Japan Board Review Co., Ltd.) to conduct an analysis and evaluation.

The method of analysis and the results of the FY2024 assessment, as well as the action plan for the fiscal year 2025 based on these results, are as follows.

### 1. Assessment method

|                          |  |
|--------------------------|--|
| Target                   | All 11 Directors   |
| Method of implementation | <ul style="list-style-type: none"> <li>• Sent a questionnaire from the third party to all Directors (anonymous/scale of 1-5/additional notes column for each question), after which recovered and calculated the answers.</li> <li>• Based on the results of the questionnaire responses, the third party conducted individual interviews with all Directors.</li> <li>• Based on the final report of the third party, the Board of Directors deliberated issues and the future action policy.</li> <li>• Based on the deliberations in the Board of Directors, decided the agenda details for next year and the policy for each initiative.</li> </ul>  |
| Questionnaire items      | <ol style="list-style-type: none"> <li>1. Medium-to-long-term business issues and risks</li> <li>2. Board of Directors roles and functions</li> <li>3. Scale and composition of Board of Directors</li> <li>4. Operational status of Board of Directors</li> <li>5. Composition/role and operational status of Nomination Committee</li> <li>6. Composition/role and operational status of Remuneration Committee</li> <li>7. Composition/role and operational status of Audit and Supervisory Committee</li> <li>8. Support system for Independent Directors</li> <li>9. Response to issues from previous year evaluation</li> <li>10. Relationship with investors/shareholders</li> <li>11. Overall effectiveness of governance system and Board of Directors of the Company</li> <li>12. Self-evaluation</li> </ol> |
| Interview items          | Interview focused on issues grasped from comments in the additional notes column and points in the questionnaire.  |

### 2. Effective assessment results

The Board of Directors discussed the results of the survey and individual interviews, and confirmed that the effectiveness of the Company's Board of Directors has been ensured.

#### (1) Evaluated items

Through the questionnaire and individual interviews, the following points were evaluated highly.

##### 1) Related to transition to a Company with Audit and Supervisory Committee

- The delegation of authority to executive members corresponding to the transition to a Company with Audit and Supervisory Committee reduced the number of proposals and streamlined the report items. This was evaluated highly as it managed to improve the quality of discussion in the Board of Directors and enhance the speed of management decisions.
- The Audit and Supervisory Committee had a smooth start in its first year as it conducted appropriate deliberations through appropriate operation and structure.

##### 2) Scale and composition of Board of Directors

- The Board is an appropriate scale and composition, being comprised of members with a balance from the perspective of the skills matrix.

### 3) Operations of Board of Directors

- Under the appropriate operation of the Board of Directors meetings (frequency/time of meetings, resolution items, materials, briefings, etc.), executive members properly present and share information.
- Open and lively deliberations are conducted in the Board of Directors meetings. Independent Directors provide opinions and observations from a perspective that contributes to improving corporate value and differs from the discussions of each meeting inside the Company.
- Opinion exchanges in pre-meeting briefings and outside the deliberations are actively held. Therefore, the Board of Directors meeting itself can be held with members fully prepared to discuss proposals.
- Discussion point organization before the Board of Directors meetings and the operation of the discussion on the day of the meeting by the Chair contributes to improving the quality of the Board of Directors discussion.

### 4) Support system for Independent Directors

- Support system for Independent Directors (pre-meeting briefings, information sharing meetings with Executive Directors, participation as observer in management level training camp summer sessions, business office visits in and outside Japan) is appropriate.

## (2) Initiatives and actions taken for FY2024

### 1) Medium-Term Management Plan 2026

| Initiatives for FY2024  | Actions taken   |
|---|---|
| <ul style="list-style-type: none"> <li>• With regard to the Medium-Term Management Plan 2026, we will continue regular progress reports and divisional reports by divisional COOs, and deepen discussions on the long-term vision, business portfolio, DX promotion, and human capital, while utilizing opportunities other than the Board of Directors meetings.</li> <li>• In addition to the existing reporting on the progress of investment and loan projects, the frequency and method of reporting will be reviewed and improved.</li> </ul> | <ul style="list-style-type: none"> <li>• In the FY2024 Board of Directors meetings, included progress of Medium-Term Management Plan, progress on human capital measures, and DX promotion activities as regular discussion items in the annual plan and secure sufficient deliberation time for each. The time generated by reducing discussion items and streamlining the reporting items corresponding with delegation of authority to executive members was allocated for these important regular discussion items, allowing for regular monitoring of each progress status in the Board of Directors and deepening discussions on issues, response status, and future direction, etc.</li> <li>• Utilizing opportunities besides the Board of Directors meetings, proactively shared discussions (summer sessions) for the improvement of clarity of Medium-Term Management Plan and the early achievement of the Next Stage (double growth in corporate value), as well as the initiative status for projects under consideration and human capital measures (information sharing meeting) to Independent Directors.</li> <li>• Also, made appropriate follow-ups at appropriate times on investment and loan projects resolved in the Board of Directors meetings (also issued reports in the information sharing meetings and the Board of Directors as needed).</li> </ul> |

## 2) Transition to a Company with Audit and Supervisory Committee

| Initiatives for FY2024  | Actions taken  |
|---|--|
| <ul style="list-style-type: none"> <li>• In line with the transition to a Company with Audit and Supervisory Committee, review the board agenda to delegate some of the authority for important business execution decisions to the Executive Directors.</li> <li>• Following the transition, the Board of Directors will continue to review the board agenda and maintain the existing information-sharing mechanism to prevent information gaps among Independent Directors, and make improvements as necessary.</li> </ul> | <p>&lt; Deliberation by the Board of Directors &gt;</p> <ul style="list-style-type: none"> <li>• The delegation of authority to executive members reduced the number of proposals and streamlined the report items, improving the quality of discussion in the Board of Directors and enhancing the speed of management decisions.</li> </ul> <p>&lt; Response to information gaps among Independent Directors &gt;</p> <ul style="list-style-type: none"> <li>• Continued the previous system of sharing information and proactively shared projects under consideration, the initiative status of human capital measures, the status of dialogues with investors and comments from investors.</li> <li>• Held meetings and opinion exchanges between Independent Directors who are and are not Audit and Supervisory Committee Members and shared the activities status of the Audit and Supervisory Committee among Independent Directors.</li> </ul> |

## (3) Initiatives for FY2025

1) Ongoing discussion in the Board of Directors meeting, etc. about the medium-to-long-term strategy and distribution of management resources

- Utilize the time created by reducing the number of resolutions by delegating authority as a result of the transition to a Company with Audit and Supervisory Committee and continuously discuss the medium-to-long term strategy and distribution of management resources in order to achieve the Medium-Term Management Plan 2026 and Next Stage (double growth of corporate value).
- In these discussions, take efforts to provide communication and explanations based on the gap of current status recognition and information between executive members and Independent Directors. Also utilize opportunities outside of deliberations to further enhance discussions.
- Proactively propose and suggest specific themes and discussion points to deepen the discussions at the Board of Directors meetings.

2) Efforts to provide information to Independent Directors in order to enhance supervisory functions

- While maintaining active opinion exchange in pre-meeting briefings and other opportunities outside of the deliberations, take efforts to adjust the agenda setting and the specificity of information and materials provided at the Board of Directors meetings to ensure that such meetings allow for substantial debate from a broad perspective.
- Continue the previous system of information sharing (Independent Director meetings and opinion exchange sessions, etc. of both Independent Directors who are and who are not Audit and Supervisory Committee Members) while aiming to make improvements when necessary, so that Independent Directors can freely share recognition and exchange opinions on matters and issues on the executive side, leading to monitoring discussions at the Board of Directors meetings.

## Independent Directors

### Policies on Appointment and Standards for Independence of Independent Directors

Sojitz places importance on the independence of Independent Directors. Sojitz has formulated its own Independence Standards for Independent Directors, in addition to the provisions of the Companies Act and standards for independence of officers set by financial instruments exchanges. Sojitz confirms that all our Independent Directors meet these standards.

#### < Standards Concerning the Appointment of Candidates for Independent Director >

Sojitz appoints Independent Directors from those with a wide range of knowledge, deep insight, excellent character, mental and physical health conditions, and abundant experience in industries and administrative fields, such as those who have management experience in business corporations and government agencies, and who have objective and specialist viewpoints toward world affairs, social and economic trends, and corporate management. Sojitz also ensures the diversity of the candidates' gender, age, and internationality from the perspective of reflecting the viewpoints of a variety of stakeholders in the supervision of business activities.

#### < Independence Standards for Independent Directors >

Sojitz judges Independent Directors to be independent by confirming that they do not fall under any of the following conditions, in addition to the independence standards prescribed by financial instruments exchanges.

1. A major shareholder of Sojitz (a shareholder holding 10% or more of Sojitz's total voting rights) or a member of business personnel thereof
2. A major creditor to Sojitz (a creditor from whom Sojitz owed an amount exceeding 2% of consolidated total assets in the most recent fiscal year) or a member of business personnel thereof
3. A major business partner of Sojitz (a business partner whose transaction amount with Sojitz exceeded 2% of Sojitz's annual consolidated revenue in the most recent fiscal year) or a member of business personnel thereof
4. A party whose major business partner is Sojitz (an entity whose transaction amount with Sojitz exceeded 2% of its annual consolidated revenue, etc. in the most recent fiscal year) or a member of business personnel thereof
5. An attorney, certified public accountant, certified tax accountant, consultant or other professional who received money or other property from Sojitz for his/her services as an individual, in an amount exceeding ¥10 million annually on average over the past three fiscal years, other than remuneration of Director or Audit and Supervisory Board Member (if such money or property was received by an organization, such as a corporation or partnership, this item refers to a person who belongs to the organization that received money or other property from Sojitz in an amount exceeding ¥10 million annually on average over the past three fiscal years or in an amount of 2% of the annual gross income or annual consolidated revenue, etc. of the organization, whichever the greater)
6. A person who receives donations or grants from Sojitz in an amount exceeding ¥10 million annually (if such donations or grants are received by an organization, such as a corporation or partnership, this item refers to a member of business personnel of the organization)
7. A person who serves as Sojitz's Accounting Auditor or a person who is engaged in auditing Sojitz's activities as an employee of the Accounting Auditor
8. A person who has fallen under any of the above items 1. to 7. in the past three years
9. A spouse or relative within the second degree of kinship of a person falling under any of the above items 1. to 8. (limited to the person holding the position of officer or other important positions)
10. A spouse or relative within the second degree of kinship of a member of business personnel of Sojitz or any of its consolidated subsidiaries (limited to the person holding the position of officer or other important positions)
11. A person with concerns about his/her independence, such as having constant and substantial conflict of interest with general shareholders as a whole in performing the duties of Independent Director

#### Read more

> [Notice Regarding Independent Officers \(Japanese\)](#)

## Advisory Bodies to the Board of Directors (Nomination Committee, Remuneration Committee)

Sojitz has established the following advisory bodies to the Board of Directors.

|          | Nomination Committee   | Remuneration Committee   |
|----------|--|--|
| Roles    | Discusses and proposes the standards and methods for selecting Director and Executive Officer candidates and considers candidate proposals.  | Discusses and proposes remuneration levels for Directors and Executive Officers and various systems related to evaluation and remuneration.  |
| Members* | Independent Directors: 3<br>Executive Director: 1  | Independent Directors: 3<br>Executive Director: 1  |
|          | Yumiko Jozuka (Chair/Independent Director)<br>Ungyong Shu (Independent Director)<br>Tsuyoshi Kameoka (Independent Director)<br>Kosuke Uemura (Representative Director and President) | Ungyong Shu (Chair/Independent Director)<br>Tsuyoshi Kameoka (Independent Director)<br>Yumiko Jozuka (Independent Director)<br>Kosuke Uemura (Representative Director and President) |

\* As of June 18, 2025

### < Activities in FY2024 >

|   | Nomination Committee  | Remuneration Committee  |
|---|---|---|
| Members                                   | Independent Directors: 3<br>Executive Director: 1<br><br>Chair : Independent Director   | Independent Directors: 3<br>Executive Director: 1<br><br>Chair : Independent Director   |
| Number of committee members in attendance | 7 times<br>(100% attendance rate of committee members) *  | 9 times<br>(100% attendance rate of committee members) *  |
| Main deliberations at each committee      | <ul style="list-style-type: none"> <li>Monitoring of officers considering the succession of management positions</li> <li>Selection of candidates for Directors and Executive Officers for FY2025</li> <li>FY2025 Skills Matrix of Directors</li> <li>Nomination Committee report of activities for FY2024 and plan of activities for FY2025</li> </ul> | <ul style="list-style-type: none"> <li>Establishment of performance targets, etc. to be used in calculating performance-linked remuneration (short-term) for Directors (excluding Independent Directors) and Executive Officers in FY2024</li> <li>Evaluation method and progress evaluation of ESG-related indicators of performance-linked remuneration (medium- to long-term) for Directors (excluding Independent Directors) and Executive Officers in FY2023</li> <li>Next year executive remuneration system</li> <li>Remuneration Committee report of activities for FY2024 and plan of activities for FY2025</li> </ul> |

\* Attendance rate is measured as a percentage of the number of meetings held since the appointment of each member.

### 3. Audit and Supervisory Committee, Accounting Audits, and Internal Audits

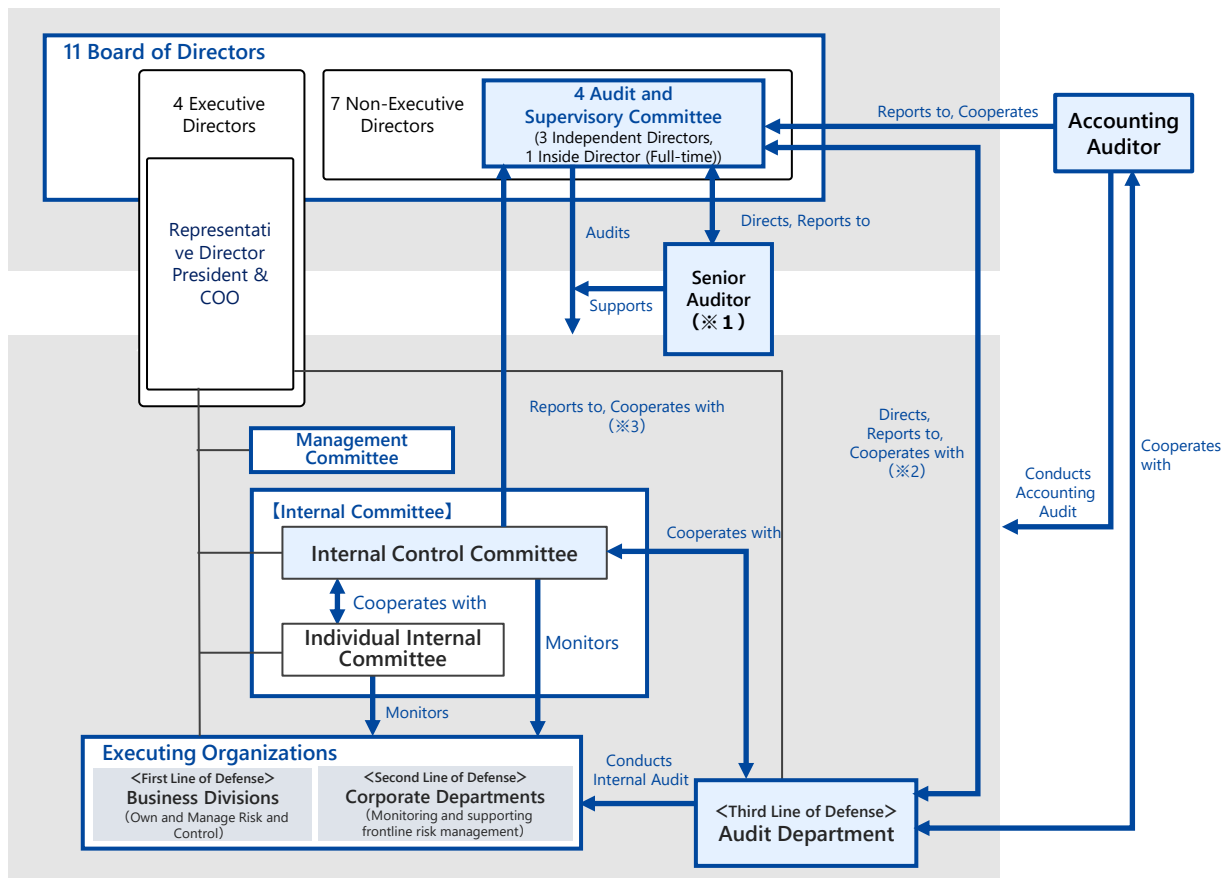
#### Audit and Supervisory Committee

The Audit and Supervisory Committee audits the execution of duties of Directors from the perspective of legality and appropriateness to fulfill its supervisory and auditing functions over operations of business, by attending important meetings related to the execution of business, interviewing Executive Directors, reviewing documents related to important decisions, and using other methods.

#### Composition of the Audit and Supervisory Committee

The Audit and Supervisory Committee consists of 4 members (2 men and 2 women), including 1 full-time Inside Director and 3 Independent Directors. To ensure the effectiveness of audits by the Audit and Supervisory Committee, we appoint 1 Inside Director who is familiar with the Group's business as a full-time Audit and Supervisory Committee Member and Chair of the Audit and Supervisory Committee.

#### Audit System (as of June 18, 2025)



#### \*1 Senior Auditors

- Two Senior Auditors are assigned to ensure the effectiveness of audits by the Audit and Supervisory Committee.
- Senior Auditors are persons who are familiar with the Group's business and operations and have knowledge of finance and accounting, risk management, and other relevant areas. They complement and support the duties of the Audit and Supervisory Committee from the same perspective as Audit and Supervisory Committee Members.

- The Senior Auditor performs their duties under the direction of the Audit and Supervisory Committee.
- Senior Auditors' personnel evaluations and transfers are subject to consultation with the Audit and Supervisory Committee to ensure the independence of audits.

### **\*2 Establishment of a reporting line from the Internal Audit Department to the Audit and Supervisory Committee**

- The Audit and Supervisory Committee receives regular reports on the audit status from the Internal Audit Department.
- The Audit and Supervisory Committee may ask the Internal Audit Department to make reports and conduct investigations and may give specific instructions to the Internal Audit Department, as necessary.

### **\*3 Establishment of a reporting line from the Internal Control Committee to the Audit and Supervisory Committee**

- The Internal Control Committee, which is an executing body under the management of the President, oversees the implementation and enforcement of the internal control system and conducts periodic monitoring. While cooperating with other committees, the Internal Control Committee identifies issues and considers countermeasures related to the internal systems and frameworks, points out these issues to the relevant departments, and makes improvements.
- The Audit and Supervisory Committee receives regular reports from the Internal Control Committee on the establishment and operation status of the internal control system in business execution.

In addition, the Audit and Supervisory Committee, the Internal Audit Department and the Accounting Auditor meet regularly to promote cooperation, share the status of their respective audits, and exchange opinions.

## **Accounting Audits**

Independent auditing firm KPMG AZSA LLC performs accounting audits of Sojitz in accordance with the Companies Act as well as audits of financial statements, and internal control audits in accordance with the Financial Instruments and Exchange Act.

## **Internal Audits**

The Company has established the Internal Audit Department as an organization independent of other business execution departments. The Internal Audit Department (comprising 39 people as of 18 June, 2025) conducts internal audits covering the business divisions, corporate departments, and consolidated subsidiaries to verify that the various management activities and operational controls of the Sojitz Group are being properly executed in compliance with laws, regulations, and internal rules.

The status of internal audits conducted by the Internal Audit Department is as follows:

- The Department develops an annual audit plan with an annual operating policy, priority items, and annual schedule, among other things, and conducts internal audits in accordance with the plan.
- During the audit, the Internal Audit Department investigates whether organizational governance, risk management, and internal controls are functioning appropriately and makes proposals for effective improvements to prevent loss and resolve issues.
- After the audit is completed, the Internal Audit Department convenes an audit review meeting for the audited organization to present the audit results, exchange opinions on problem areas, and discuss improvement measures. Attendees include the president of the audited organization, COOs responsible for corporate departments, and full-time Audit and Supervisory Committee Members. After the audit review meeting, an internal audit report is prepared and submitted to the audit report meeting (comprising Representative Directors, full-time Audit and Supervisory Committee Members, and other persons deemed necessary by the president).
- To address the problems identified in the audits, the Internal Audit Department receives reports about improvements by the audited organizations for the three- and six-month periods after the audits, and conducts a follow-up audit to check their progress.

In addition, the following are initiatives taken by Sojitz to ensure the effectiveness of internal audits.

- The Internal Audit Department's annual audit plan is determined by the resolution of the Audit and Supervisory Committee and reported to the Management Committee and Board of Directors.
- The Internal Audit Department reports the results of internal audits not only to the Representative Director and President, but also to the Board of Directors and the Audit and Supervisory Committee on a regular basis.
- The General Manager of the Internal Audit Department, full-time Audit and Supervisory Committee Members, and their assistants hold regular meetings to share findings and challenges, among other things, in their respective audit activities in a timely manner and exchange their opinions.
- The Internal Audit Department, Audit and Supervisory Committee, and the Accounting Auditor convene quarterly to share their respective audit results and exchange opinions.
- Deliberations and assessments of the Internal Audit Department's organizational performance, as well as individual evaluations of the General Manager of the Internal Audit Department, require consultation with the Audit and Supervisory Committee, ensuring the independence of the internal audits.

## 4. Business Executing Bodies

We have established the following executing bodies that directly report to the President, who is the Chief Executive Officer.

### Management Committee

The Management Committee consists of Executive Directors, Chief Operation Officers (COOs) of the business divisions and corporate department supervisors. It reviews and approves management policies, management strategies and management administrative matters among the Group from Group-wide and medium-to-long-term viewpoints.

### Finance & Investment Deliberation Council

The Finance & Investment Deliberation Council consists of Executive Directors and corporate department supervisors. It discusses and resolves important investment and loan proposals from a Group-wide viewpoint.

### Human Resource Deliberation Council

The Human Resource Deliberation Council consists of Executive Directors and corporate department supervisors. It discusses and resolves important issues pertaining to human resources from a Group-wide viewpoint.

### Internal Committees

In order to enhance corporate value, we have established the following internal committees (as of June 18, 2024) that act as executing bodies under the direct supervision of the President to advance management initiatives that need to be handled across the organization.

#### Internal Control Committee

The Internal Control Committee formulates policies to maintain and improve our internal control system, and monitors this internal control system, its enforcement among the Group, and monitors risks from a Group-wide viewpoint.

### Compliance Committee

The Compliance Committee examines and formulates fundamental policies and measures to ensure compliance.

### Sustainability Committee

Based on the Sustainability Challenge, the Sustainability Committee examines and formulates various policies and measures, focusing on the realization of a decarbonized society and respect for human rights in the supply chain.

### Security Trade Control Committee

The Security Trade Control Committee expedites responses to changing security trade control issues associated with the Sojitz Group and establishes appropriate trade control systems.

### Quality Management Committee

The Quality Management Committee builds and maintains a company-wide quality control system and studies and formulates measures to develop business (B to C business) from a market-oriented perspective and to increase corporate value.

### DX Promotion Committee

The DX Promotion Committee monitors the overall picture of DX promotion aimed at improving corporate value, and shares the progress and status of efforts, and verifies their effects, with the goal of realizing increased corporate value through business transformation and enhanced competitiveness, while pursuing reforms in business models, human capitals, and operational processes by utilizing digitalization.

### Information and IT Systems Security Committee

Information and IT Systems Security Committee promotes task setting, the formulation of action plans, and the implementation of countermeasures relating to the security of company-wide information assets and IT systems to improve corporate value, while grasping the focus and importance of risks that arise in business where digital data and IT are utilized in conjunction with the accelerated promotion of DX.

## 5. Remuneration of Directors

### 5-1. Composition of the Executive Remuneration System

The maximum amount of remuneration of Sojitz's Directors and other matters were resolved at the Ordinary General Shareholders' Meeting held on June 18, 2024 as described below.

| Position   |   | Type of remuneration               |  | Limits for remuneration                         |   |
|--|---|------------------------------------|--|---|---|
| Directors<br>(excluding directors who are<br>Audit and Supervisory<br>Committee members) | Directors<br>(excluding Independent<br>Directors) | Basic remuneration                 | Cash   | ¥720 million per year                           |   |
|  |   | Performance-linked<br>remuneration | Cash (short-term)  |   |   |
|  |   |                                    | Shares<br>(medium- to long-term)<br>Recipients<br>• Residents of Japan<br>• Executive Officers and<br>other executives | Upper limit for contributions by<br>the Company | ¥3,600 million over<br>three fiscal years |
|  | Independent Directors                             | Basic remuneration                 | Cash   | ¥60 million per year                            |   |
| Directors who are Audit and Supervisory Committee members                                |   | Basic remuneration                 | Cash   | ¥160 million per year                           |   |

## 5-2. Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members)

As for remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members), the Executive Remuneration Policy, rank-based standard amounts for basic remuneration (fixed remuneration), and calculation methods of performance-linked remuneration (short-term) and performance-linked remuneration (medium- to long-term) (including the targets for each of the evaluation indicators) are decided based on resolutions made by the Board of Directors after deliberations at the Remuneration Committee. Based on these decisions, amounts of remuneration paid to Individual Directors are calculated and determined.

### Executive Remuneration Policy

Sojitz's basic policy on remuneration for Directors is to create a system that is closely linked to the Company business performance and that will ensure transparency and objectivity with the aim of raising the motivation of Directors to contribute to improved performance and corporate value over the medium to long term. In accordance with this basic policy on remuneration, the Executive Remuneration Policy (Company policy for determining amounts of remuneration paid to individual Directors, etc.) was approved at the Board of Directors meeting held on March 22, 2024 in order to make a policy for the remuneration of Directors and Executive Officers that is consistent with Sojitz's corporate statement, value creation model, Vision for 2030, and Medium-Term Management Plan 2026, which was launched in April 2024. The details of the Executive Remuneration Policy are as follows.

|                           |   |
|---------------------------|---|
| Basic view                | <p>Sojitz's basic view on remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members; the same applies hereinafter) and Executive Officers (hereinafter collectively referred to as the "Officers") is based on the following two considerations.</p> <ul style="list-style-type: none"> <li>• Remuneration shall offer incentives to pursue ongoing growth and medium- to long-term increases in corporate value in order to facilitate the creation and provision of two types of value—value for Sojitz and value for society.</li> <li>• Remuneration systems shall be structured to drive us toward our vision for 2030 of "becoming a general trading company that constantly cultivates businesses and human capital."</li> </ul>   |
| Basic policies            | <ul style="list-style-type: none"> <li>• Remuneration systems shall be linked to medium- to long-term performance and corporate value improvements as well as to short-term performance.</li> <li>• Remuneration systems shall be linked to the new value Sojitz creates and provides in the digital society as it practices ESG management.</li> <li>• Remuneration systems shall be linked to Sojitz's shareholder value.</li> <li>• Remuneration systems shall provide a sufficient level of remuneration to recruit and retain globally competitive personnel.</li> <li>• Remuneration shall be determined through a process with a high degree of transparency and objectivity.</li> </ul>   |
| Breakdown of remuneration | <p>◆Level of remuneration<br/>In line with the basic policies, Sojitz will provide an attractive level of remuneration commensurate with the job responsibilities of each of the Officers. The level of remuneration shall be determined in consideration of factors such as remuneration offered by other general trading companies, surveys conducted by third parties on executive remuneration at listed corporations in Japan, along with the level of employee salary. The level of Sojitz's executive remuneration shall be subject to review as appropriate depending on the changes in the external business environment.</p> <p>◆Structure of remuneration<br/>Sojitz's remuneration consists primarily of basic remuneration and performance-linked remuneration. Medium- to long-term performance-linked remuneration applies a "pay for mission" approach, which takes into consideration factors such as the fulfillment of our corporate statement and the creation and provision of the two types of value.</p> |

| Breakdown of remuneration                                   | <p>- Basic remuneration (Fixed remuneration) : Monetary remuneration determined by the individual's rank, commensurate with job responsibilities</p> <p>- Performance-linked remuneration (short-term) : Monetary remuneration linked to corporate performance in a single year as well as the progress made with the medium-term management plan</p> <p>- Performance-linked remuneration (medium to long-term) : Share remuneration linked to the achievement of the medium-term management plan and the increase in corporate value (in terms of ESG and share price) *</p> <p>◆Remuneration mix<br/>[Officers (excluding Independent Directors)]<br/>The proportion of basic remuneration among total compensation will be lowered to between approximately 40% and 64%, based on job responsibilities, and the proportion of performance-linked remuneration will be raised.</p> <table border="1" data-bbox="358 576 1310 762"> <thead> <tr> <th data-bbox="358 576 675 685">Basic remuneration</th> <th data-bbox="675 576 992 685">Performance-linked remuneration (short-term)</th> <th data-bbox="992 576 1310 685">Performance-linked remuneration (medium to long-term)</th> </tr> </thead> <tbody> <tr> <td data-bbox="358 685 675 762">40~64%</td> <td data-bbox="675 685 992 762">20~22%</td> <td data-bbox="992 685 1310 762">16~40%</td> </tr> </tbody> </table> <p>[Independent Directors (excluding Directors who are Audit and Supervisory Committee Members)]<br/>Remuneration consists wholly of basic remuneration, while special allowance shall be paid separately to the Chairperson of the Board of Directors, and the Chairs of the Nomination Committee and the Remuneration Committee.</p> <p>◆Timing of the payment of remuneration</p> <p>- Basic remuneration: Paid monthly</p> <p>- Performance-linked remuneration (short-term): Paid once a year at a certain time</p> <p>- Performance-linked remuneration (medium-to long-term): After retirement*</p> | Basic remuneration                                    | Performance-linked remuneration (short-term) | Performance-linked remuneration (medium to long-term) | 40~64% | 20~22% | 16~40% |
|---|--|---|--|---|--------|--------|--------|
| Basic remuneration  | Performance-linked remuneration (short-term)   | Performance-linked remuneration (medium to long-term) |  |   |        |        |        |
| 40~64%  | 20~22%   | 16~40%  |  |   |        |        |        |
| Determination method of performance-linked remuneration     | Determined based on factors such as the degree of accomplishment of targets, progress made with the medium-term management plan and individual contribution to corporate performance.  |   |  |   |        |        |        |
| Forfeiture of remuneration (claw back clause, malus clause) | If a resolution is passed by the Board of Directors for a post -closing correction of accounts due to serious accounting errors or fraud, or if wrongdoing by an Officer is confirmed by the Board of Directors, Sojitz may restrict the payment of performance-linked remuneration or request the refund of the remuneration the Officer has received.  |   |  |   |        |        |        |
| Governance over remuneration                                | The amount of remuneration for each of the Officers shall be determined by the Board of Directors, after deliberations at the Remuneration Committee chaired by an Independent Director, with the majority of committee members being Independent Directors. The amount of remuneration for Directors who are Audit and Supervisory Committee Members shall be determined through discussion among the Directors who are Audit and Supervisory Committee Members.  |   |  |   |        |        |        |

\* For share remuneration, after retirement of Directors, based on the confirmation that they meet the beneficiary requirements, they shall receive delivery of the number of Sojitz shares equivalent to the accumulated share delivery points calculated at the rate of one Sojitz share per share delivery point. The beneficiary requirements shall be determined as necessary to achieve the purpose of the share remuneration system.

## Composition of Remuneration

With the aim of further enhancing the link between remuneration and business performance and creating a remuneration system that includes a system of evaluation criteria that more fully reflects the efforts and progress made toward improving corporate value in the medium- to long-term, Sojitz has decided to lower the proportion of basic remuneration among total compensation for Directors (excluding Independent Directors and Directors who are Audit and Supervisory Committee Members) and Executive Officers to between approximately 40% and 64%, based on their job responsibilities, and raise the proportion of performance-linked remuneration from the year ending March 31, 2025.

In order to ensure that the executive remuneration system is closely linked to Sojitz's corporate performance and is highly transparent and objective, the target of each indicator was determined by resolution of the Board of Directors after deliberations at the Remuneration Committee, reflecting the targets set out in Medium-term Management Plan 2026.

### < Composition of Remuneration for Executive Officers and Directors (excluding Independent Directors and Directors who are Audit and Supervisory Committee Members) >

| Type of remuneration   |                 |                                 | Description  | Performance-linked index (KPI)   | Evaluation weighting   | Remuneration variation range | Timing of the payment                |
|--|-----------------|---------------------------------|--|--|--|------------------------------|--------------------------------------|
| Basic  | Fixed           | Monetary (40%–64%)              | Determined by the individual's rank based on their job responsibilities  | —  | —  | —                            | Monthly                              |
|  |                 | Performance-linked remuneration | Short-term Variation   | Monetary (20%–22%)<br>Linked to corporate performance in a single year as well as the progress made with the Medium-Term Management Plan | Consolidated profit for the year (Note 1) (degree of accomplishment of single-year target) | 30%                          | 0–150% (Note 2)                      |
| Consolidated profit for the year (Note 1) (degree of progress toward the aggregate Medium-Term Management Plan target) | 30%             |                                 |  |  |  |                              |                                      |
| ROE  | 20%             |                                 |  |  |  |                              |                                      |
| Core operating cash flow (degree of accomplishment of single-year target)  | 10%             |                                 |  |  |  |                              |                                      |
| Core operating cash flow (degree of progress toward the aggregate Medium-Term Management Plan target)                  | 10%             |                                 |  |  |  |                              |                                      |
| Medium-/long-term  | Share (16%–40%) |                                 | Linked to the achievement of the Medium-Term Management Plan and the increase in corporate value (in terms of ESG and share price) | Aggregate consolidated profit for the year (Note 1) during the three fiscal years  | 40%  | 60–200%                      | Share-based payment after retirement |
|  |                 |                                 |  | Stock growth rate (Note 3)   | 40%  |                              |                                      |
| ESG related  | 20%             |                                 |  |  |  |                              |                                      |

(Notes)

- Refers to profit for the year attributable to owners of the company.
- If actual results for each criterion fall below 40% of the targets, no remuneration shall be paid for such criterion.
- Evaluation shall be made based on a relative comparison between total shareholder return (TSR) of Sojitz and dividend-included TOPIX.
- Level of achievement of the ESG targets is evaluated by the Remuneration Committee.

## Remuneration System of Directors and Method of Calculation for Remuneration in the Year Ending March 31, 2026

For more information on the remuneration of Directors and the Method of calculation for performance-linked remuneration (short-term / medium- to long-term) in the year ending March 31, 2025 utilized in accordance with the Executive Remuneration Policy, please refer to [here](#).

## 5-3. Remuneration System of Directors who are Audit and Supervisory Committee Members

Performance-linked remuneration is not paid to Audit and Supervisory Committee Members out of consideration for their role in auditing Directors' execution of their duties. As a result, Audit and Supervisory Committee Members only receive basic remuneration (monetary). The amount of such remuneration is determined through discussion among the Directors who are Audit and Supervisory Committee Members.

## 5-4. Remuneration of Directors and Audit and Supervisory Board Members for the Year Ending March 31, 2025

Total amount of remuneration by officer classification, total amount of remuneration by type of remuneration and number of company officers subject to payment

(Millions of Yen)

|   | Person to be paid | Basic remuneration | Performance-linked remuneration |  | Total |
|---|-------------------|--------------------|---------------------------------|--|-------|
|   |                   | Monetary (*1, 2)   | Monetary (short-term) (*1)      | Share (medium-to long-term) (*1, 3, 4) |       |
| Directors (Total)   | 11                | 317                | 135                             | 223                                    | 676   |
| (of which, Independent Directors)                                 | (5)               | (50)               | –                               | –                                      | (50)  |
| Audit and Supervisory Board Members (Total)                       | 5                 | 26                 | –                               | –                                      | 26    |
| (of which, Independent Audit and Supervisory Board Members)       | (3)               | (8)                | –                               | –                                      | (8)   |
| Directors who are Audit and Supervisory Committee Members (Total) | 4                 | 75                 | –                               | –                                      | 75    |
| (of which, Independent Directors)                                 | (3)               | (35)               | –                               | –                                      | (35)  |

\*1 Figures are rounded down to the nearest million yen.

\*2 Based on the resolution of the 21st Ordinary General Shareholders' Meeting held on June 18, 2024, Sojitz transitioned to a Company with Audit and Supervisory Committee, effective on the same date. As of the end of FY2024, there were 7 Directors and 4 Directors who are Audit and Supervisory Committee Members. The total amount of remuneration of Directors includes that for 2 Directors who retired due to expiration of their term of office at the conclusion of the Ordinary General Shareholders' Meeting held on June 18, 2024 and the remuneration for the period before the transition to a Company with Audit and Supervisory Committee for 2 Directors who were newly appointed as Directors who are Audit and Supervisory Committee Members. The amount of remuneration for Audit and Supervisory Board Members includes the remuneration for the period before the transition to a Company with Audit and Supervisory Committee.

\*3 Regardless of whether before or after the transition to a Company with Audit and Supervisory Committee, as the Board of Directors confirmed that the amounts of remuneration for individual Directors for FY2024, including the target of each evaluation indicator, based on the Executive Remuneration Policy, basic remuneration (fixed remuneration) by rank, the calculation method for performance-linked remuneration (short-term), and the calculation method for performance-linked remuneration (medium- to long-term) were consistent with the determination policy described in below, the details of such remuneration were judged to be in line with the policy.

\*4 The performance-linked remuneration (medium- to long-term) is a share remuneration system based on the Board Incentive Plan (BIP) Trust. The total amount of the aforementioned share remuneration represents the amount reported as expenses for FY2024 associated with the share delivery points regarding the BIP Trust, including the persons who are scheduled to retire in FY2024.

## 6. Holdings of Listed Shares

### 6-1. Policies for Shareholdings under Medium-term Management Plan 2026

Each year, we conduct a quantitative assessment of each lot of listed shares that we continue to hold as cross-shareholdings to ensure that dividends or related profit earned from those shares exceed the shares' equity cost (weighted average cost of capital). We also conduct a qualitative assessment, looking at whether the shares help improve our corporate value. Based on these assessments, we examine the value of retaining these holdings. We retain those holdings that are deemed to be worthwhile, seeking ways to achieve greater impact and benefit from those shares. Meanwhile, for those shares which are deemed to lack significant value, we set a deadline to improve their value, or, if there is no indication these shares will improve, we examine the possibility of divestiture. The Board of Directors and the Management Committee conduct such assessments for each lot of shares held as cross-shareholdings.

|   | March 31,<br>2022<br>Results | March 31,<br>2023<br>Results | March 31,<br>2024<br>Results | March 31,<br>2025<br>Results |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| (1) Book value of shares held on a non-consolidated basis (Billions of Yen) | 118.7                        | 76.5                         | 79.9                         | 76.1                         |
| Listed shares (Billions of Yen)   | 98.8                         | 55.3                         | 56.2                         | 52.5                         |
| Unlisted shares (Billions of Yen)   | 20.0                         | 21.2                         | 23.7                         | 23.6                         |
| (2) Total equity on a consolidated basis (Billions of Yen)                  | 763.9                        | 876.6                        | 955.6                        | 1,007.6                      |
| (3) Ratio to total equity on a consolidated basis (%) (1) ÷ (2)             | 16%                          | 9%                           | 8%                           | 8%                           |

\* The figures for listed shares reflect share prices at each point in time.

### 6-2. Exercise of Voting Rights

Based on the significance of holding shares of listed companies, we exercise our voting rights based on whether or not they contribute to sustainable growth and improved corporate value over the medium- to long-term for both Sojitz and the investee. We also have a system of monitoring the status of exercise of voting rights.

# Risk Management

## 1. Policy and Basic Approach

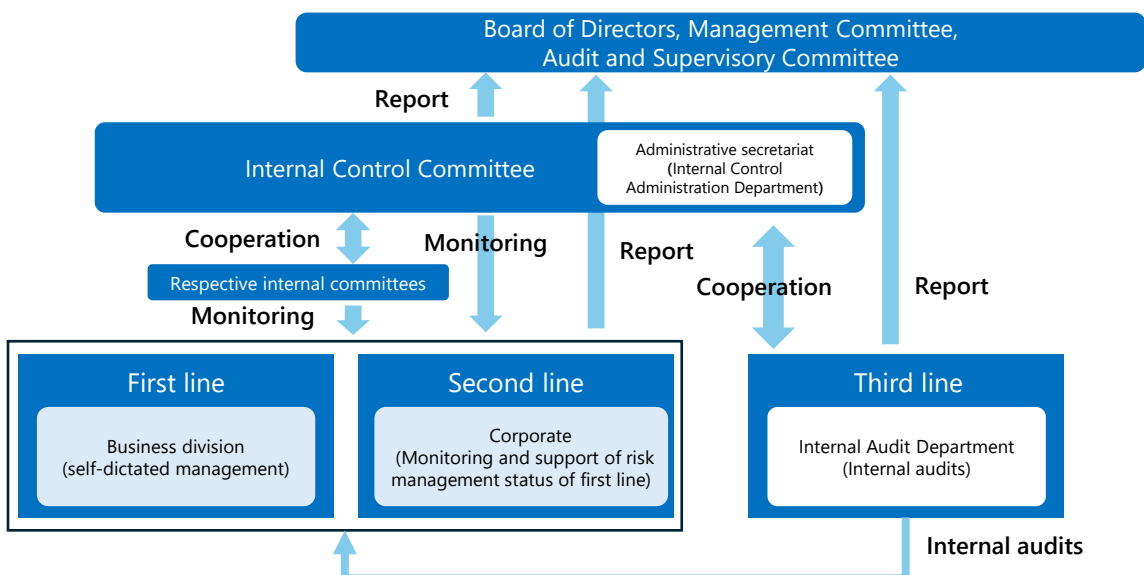
Sojitz Group aims to ensure sustainable and sound corporate management practices. To realize these aims, Sojitz recognizes risk as “the possibility that events will occur and affect the achievement of strategy and business objectives.”

The company therefore carefully and comprehensively assesses risks associated with new business ventures or accompanying changes in the business environment, establishes the necessary risk management systems to address these risks and manages these systems appropriately.

## 2. Systems and Initiatives

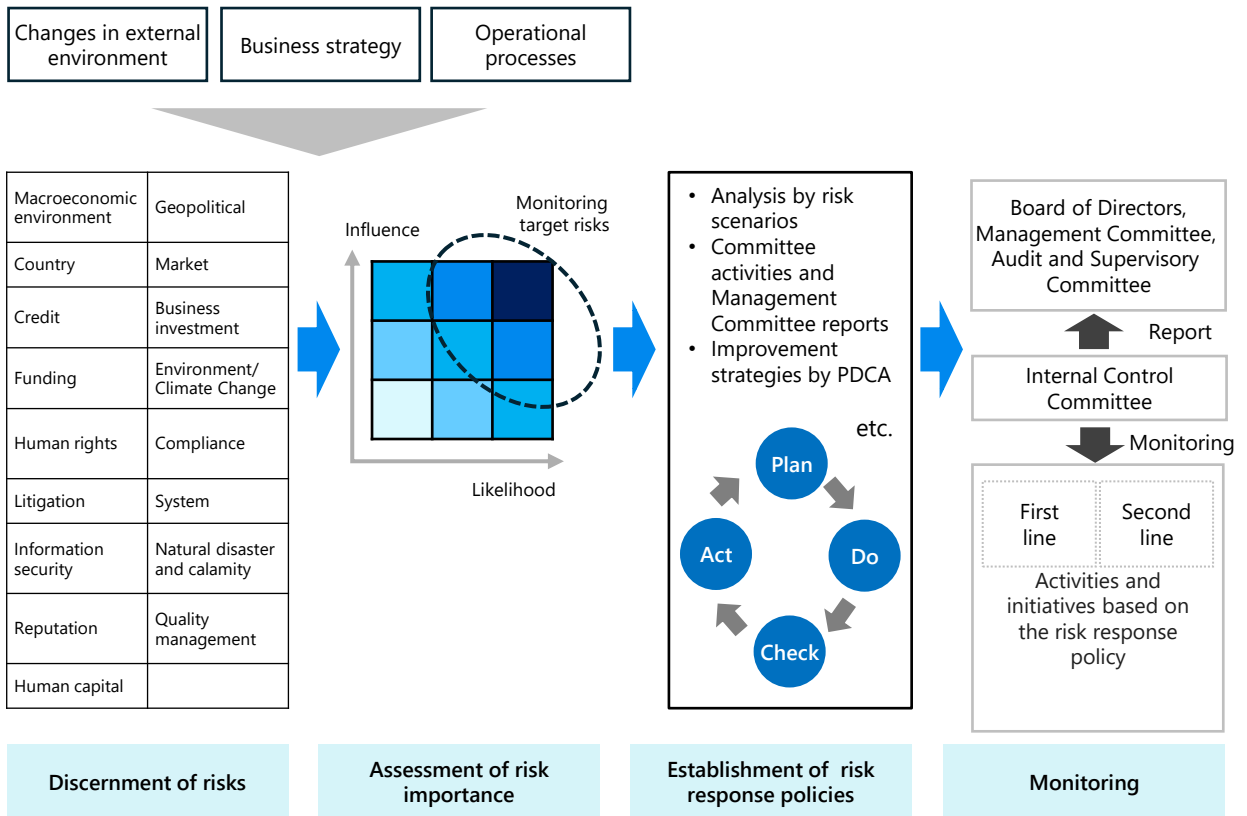
In the enterprise risk management conducted by Sojitz Group, the Internal Control Committee (secretariat: Internal Control Administration Department), which includes the President and CFO as members, collaborates with various internal committees (as shown in the table below) to discuss and formulate policies, oversee and monitor the overall status of risk management implemented by business execution organizations (first and second lines), and issue instructions to relevant parties, and serves as the entity responsible for ensuring the effective functioning of the risk management framework.

In addition, the Internal Audit Department, as the third line of defense, conducts objective verification of the risk management practices implemented by the first and second lines from an independent standpoint. Based on the above, the Internal Control Committee regularly reports on the status of enterprise risk management system to the Management Committee, Board of Directors, and the Audit and Supervisory Committee.



Within Sojitz Group, each department in the first line (business divisions, etc.) and the second line (corporate divisions), comprehensively identifies risks, including those based on future projections, related to the external environment, business strategies, operational processes, and other factors. Risks identified are assessed based on a two-axis evaluation of impact and likelihood of occurrence of risks to determine their importance, and the results are discussed at the Internal Control Committee and reported to the Board of Directors, after which risk response policies are decided.

In accordance with this risk response policy, the first line (business divisions, etc.) exercises autonomous control over risks in business execution, while the second line (corporate) performs routine management tasks related to the risks under its responsibility, as well as providing support and monitoring to the first line and conducting continuous reviews, including PDCA management. The risk management activities conducted by the first line and second line are monitored by the Internal Control Committee, which evaluates their effectiveness based on the significance of the risks, and reports to the Management Committee, Board of Directors, and the Audit and Supervisory Committee.



As part of its enterprise risk management, Sojitz regularly reviews risks through materiality assessments. In particular, the company places a strong emphasis on a risk management approach that takes into account the entire supply chain and is also working to strengthening measures for preventing unauthorized access and cyberattacks. Additionally, by managing business investments with a focus on risk and return, Sojitz prevents the deterioration of the Group's balance sheet and contributes to the maintenance and enhancement of corporate value.

## 2-1. The Major Risk Types and Sojitz Internal Committees

> [The Major Risk Types](#)

Current as of April 1, 2025

| Committee                                    | Chairperson  |
|--|--|
| Internal Control Committee                   | Representative Director, Senior Managing Executive Officer, CFO, Executive Management of Corporate Departments |
| Compliance Committee                         | Managing Executive Officer, CCO, CISO<br>COO, Legal Department, Internal Control Administration Department     |
| Sustainability Committee                     | President & CEO  |
| Security Trade Control Committee             | Representative Director, Senior Managing Executive Officer, CFO, Executive Management of Corporate Departments |
| DX Promotion Committee                       | President & CEO  |
| Quality Management Committee                 | Executive Officer<br>COO, Risk Management Department   |
| Information and IT System Security Committee | Managing Executive Officer, CCO, CISO<br>COO, Legal Department, Internal Control Administration Department     |
| Business Continuity Management Working Group | Executive Officer<br>COO, Human Resources Department   |
| Disclosure Working Group                     | Executive Officer<br>COO, PR Department, IR & Corporate Sustainability Department                              |

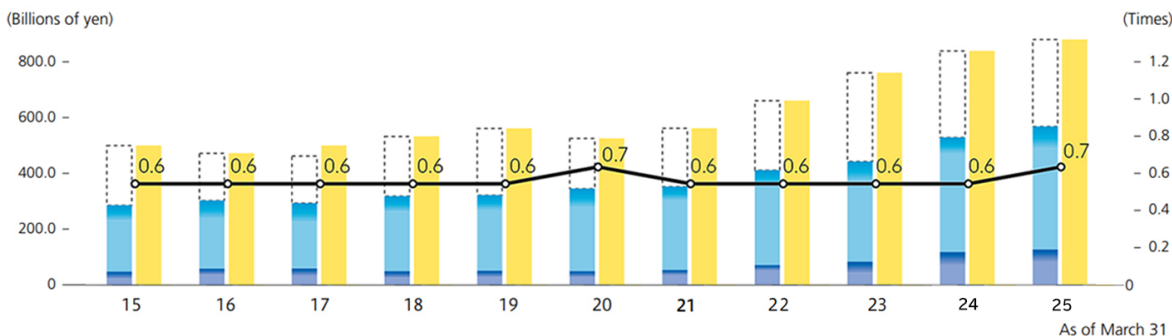
### 3. Measuring and Controlling Risk

In order to manage risk with a dual focus on both safety and profit opportunity, Sojitz measures risk assets within the following four risk types: market risk, business investment risk, credit risk, and country risk. The goals of risk measurement are to 1) manage quantified risk assets in order to keep them within the scope of the company’s strength (total equity), and 2) maximize earnings in line with the level of risk exposure. Risk assets are measured twice yearly and reported to the Board of Directors and the Management Committee. Each business department receives feedback on analysis conducted for factors affecting risk levels, and the business departments utilize the results of these analyses in their ongoing risk management efforts. Sojitz Group’s objective for risk control is to keep the ratio of risk assets to total equity at or below 1.0. Sojitz has maintained this goal ratio since the fiscal year ended March 2010.

#### Risk Assets

☐ Risk buffer   Risk assets   ■ Market risks   ■ Business investment risks   ■ Credit risks   ■ Country risks   ■ Total equity (Left scale)

● Ratio of risk assets to total equity (Right scale)



## 4. Supply Chain Risk Management

Due to recent changes in the external environment and in our business fields, Sojitz takes an approach toward combating specific risks that accounts for the entire supply chain and enact flexible responses to the sudden materialization of risks by measuring the quantitative impact of the given risk event in order to strengthen our corporate resilience. In fiscal year 2024, assumed scenarios were formulated for geopolitical risks and disaster risks, and these scenarios were examined through discussion by the Management Committee and between business and corporate divisions to assess the response measures to be implemented in the event that a risk materializes.

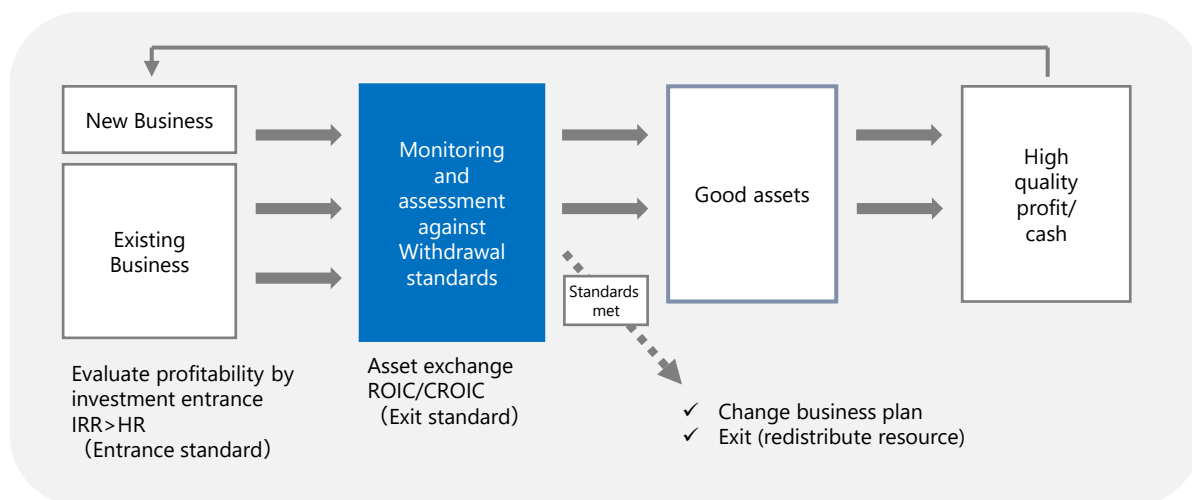
## 5. Business Investment Management

Sojitz Group conducts business investments in a wide range of business fields. Business investments entail risks that earnings may not be generated in accordance with business plans, that invested capital may not be recovered, or that losses might be incurred when withdrawing from businesses. Sojitz Group takes steps to prevent and limit losses associated with business investments by establishing business investment standards related to management and withdrawal during the decision-making process or after investments, and management is performed based on these standards.

When conducting new business investments, Sojitz Group evaluates the business plan, including the significance of the initiative and the cash flow plan. In particular, profitability is assessed using the internal rate of return (IRR) as a metric. A hurdle rate is set, and the IRR is compared against this hurdle rate to select projects that can enhance Sojitz Group's shareholder value and generate returns commensurate with the risks. These business investment projects are submitted to the Finance & Investment Deliberation Council, which consists of a chairman and council members appointed by the president. The council analyzes the feasibility of the business plan, visualizes the risks, and determines whether to proceed with the investment.

Conducted business investments are monitored annually, and decisions on whether to continue or withdraw are reported to the Management Committee. Sojitz Group measures whether the Return on Invested Capital (ROIC) and the cash-based ROIC (CROIC) exceed the cost of capital to evaluate the viability of the business. Through these evaluations, Sojitz Group identifies issues early and implements timely and appropriate improvement measures to achieve a turnaround or proceeds with withdrawal. This approach helps prevent the deterioration of the Group's balance sheet and contributes to the maintenance and enhancement of corporate value.

The overview of monitoring and decision-making regarding whether to continue or withdraw is as shown in the diagram below.



## 6. Risk Management Training

In order to comprehensively manage risk, Sojitz must not only establish organizational systems and frameworks, but also instill a risk management mindset and foster the necessary skills in each Group employee. Sojitz therefore places an emphasis on risk management-related trainings and provides employees with educational content tailored to current risk management challenges.

As part of efforts to share risk-related knowledge throughout the company, Sojitz also creates videos that feature case studies of specific trading or business investment-related incidents that have occurred at Sojitz Group. In the videos, employees involved in the incident engage in open dialogue with members of the Risk Management Department to discuss their experience and highlight key takeaways. Through this initiative, Sojitz aims to encourage employees to apply the collective knowledge gained through past incidents in their work each day. In fiscal year 2024, 5 case studies were presented, and they were viewed by a large number of employees from both the Business and Corporate divisions.

The risks that trading companies face are constantly evolving. Sojitz therefore reviews and updates the content of its training materials as needed and strives to provide employees with the tools needed to respond to evolving and newly emerging risks.



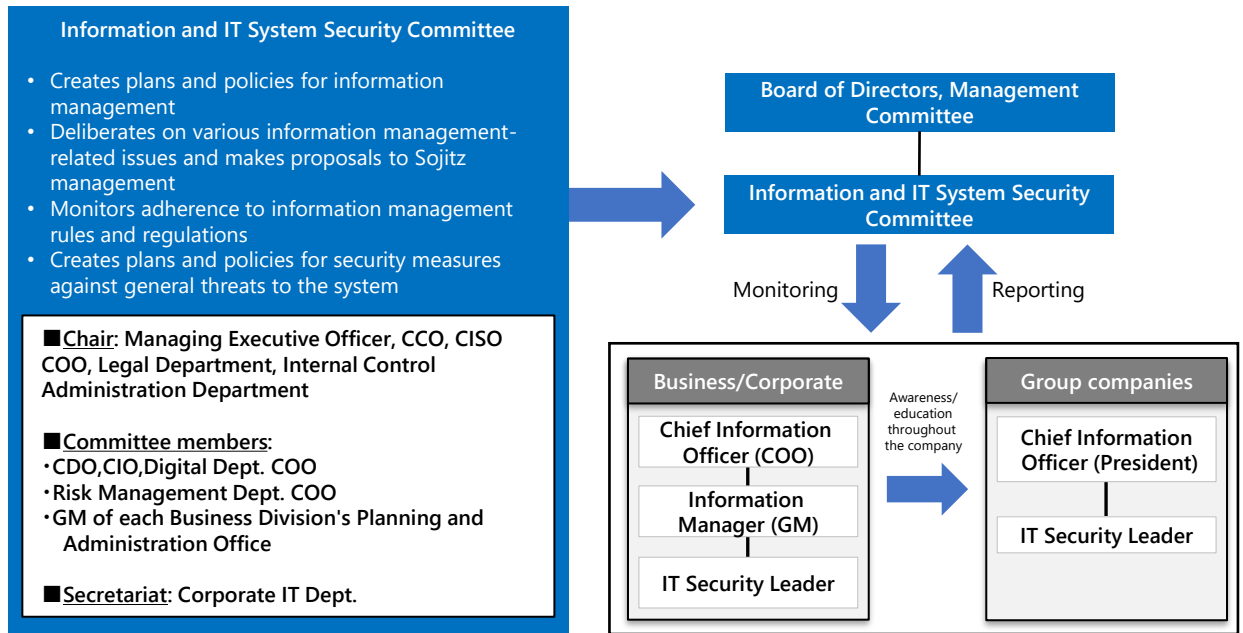
## 7. Addressing Information Security Risk

### 7-1. Policy and Basic Approach

Sojitz has established Information Management Regulations, Sojitz IT Security Policy and other regulations regarding information management and information security measures. Sojitz Group seeks to create an integrated system of information security risk countermeasures and works to ensure that all Group employees appropriately use, manage, and maintain IT assets.

## 7-2. Systems

Sojitz has established the Information and IT System Security Committee, an organization chaired by the Managing Executive Officer, CCO, and CISO. The Information and IT System Security Committee creates Sojitz’s system for managing information security throughout Sojitz Group, deliberates on a wide range of information security-related issues, and makes proposals to management. The committee also monitors adherence to all information security-related regulations and in the event of a violation, centrally manages all relevant information, and ensures that there is a system in place for promptly addressing violations.



## 7-3. Initiatives

Information Management >

# 8. Addressing Disaster Risks

## 8-1. Policy and Basic Approach

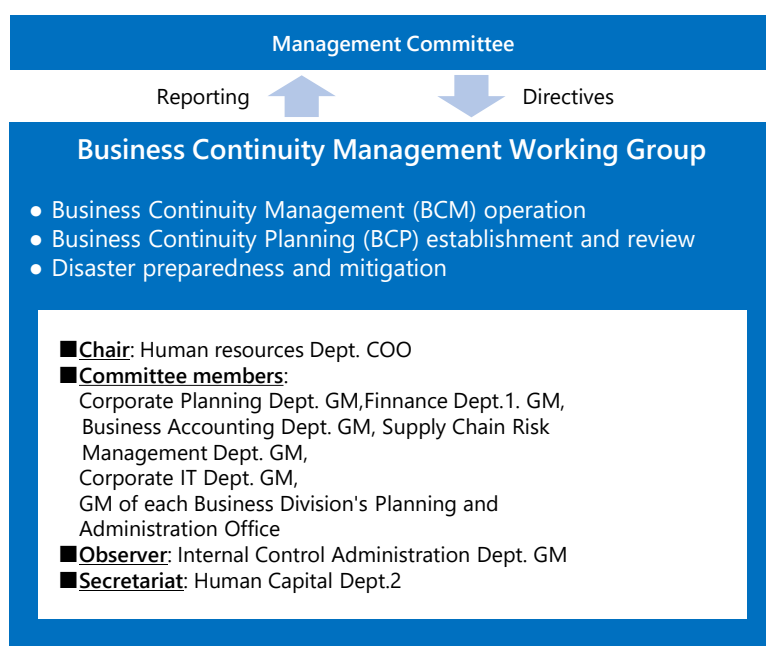
Sojitz recognizes the importance of maintaining business continuity and ensuring the safety of all Sojitz Group employees, families, and other affiliated parties in the event of a major disaster such as an earthquake, flood, terrorist attack, or pandemic. Sojitz has established the Sojitz Group Basic Crisis Management Policy, which defines Sojitz’s policies and framework for crisis management. Sojitz operates an active system for crisis management at all times in order to ensure that in the event of a disaster, it can maintain the safety of all Sojitz Group employees, families, and other affiliated parties.

## Sojitz Group Basic Crisis Management Policy

1. Ensure the safety of employees and others (personal safety)
2. Ensure the safety of company assets and restart operations as soon as possible (stable supply of business services)
3. Support stakeholders and the local community (cooperation and mutual support)
4. Strengthen crisis response and raise crisis management awareness (regularly conduct trainings and drills)

## 8-2. Systems

In the event of a crisis, Sojitz has established internal systems and roles based on the Sojitz Group Basic Crisis Management Policy and the Sojitz Crisis Management Guidelines. Sojitz has also established the Business Continuity Management Working Group, an organization chaired by the Human Capital Department COO, which regularly reports to the Management Committee. The working group continuously reviews and implements improvements to all crisis-related measures in order to ensure their effectiveness and respond to changes in the business environment.



## 8-3. Initiatives

### Business Continuity Management (BCM) Operations

In order to ensure the effectiveness of business continuity planning (BCP), Sojitz establishes a plan for year-round BCP activities and regularly reviews the plan. Sojitz conducts a range of BCP-related trainings including drills conducted by the Emergency Response Unit, first aid trainings for employees, and evacuation drills. (Trainings are conducted for two differing scenarios: a disaster occurring 1) during working hours and 2) at night on a non-workday.) In addition, Sojitz utilizes a reporting system to confirm the safety of all employees in the event of a disaster and also conducts reporting drills using this system.

### Disaster Preparedness and Mitigation

Sojitz has taken steps to ensure that its Tokyo headquarters can continue to perform its functions in the event of an earthquake in the Tokyo metropolitan area, through measures such as equipping its facilities with emergency power generators capable of providing 72 hours of electricity. Sojitz has also stockpiled five days' worth of food for employees in the event that they are required to shelter at Sojitz offices. The Tokyo Metropolitan Government has recognized Sojitz as a model company for its efforts to prevent the mass movement of employees in the event of a natural disaster.

# Compliance



## 1. Policy and Basic Approach

Sojitz believes that thorough compliance is essential to achieving sustainable growth and increasing corporate value, and we therefore implement various company-wide initiatives for instilling a compliance mindset among employees. There are no shortcuts to establishing corporate compliance, and Sojitz Group seeks to further ensure that all employees are aware of and educated on compliance matters through sound, consistent implementation of the initiatives described below.

## 2. Constructing a Compliance Framework

### 2-1. Compliance Framework

Sojitz Group has established the Compliance Committee, an organization chaired by the Chief Compliance Officer (CCO). Sojitz assigns designated compliance managers and advisors to operating bases in Japan and overseas and to consolidated Group subsidiaries in order to maintain a coordinated system for complying with laws, regulations, and business ethics standards that connects Sojitz HQ, operating bases in Japan and overseas, and consolidated subsidiaries. Sojitz also conducts compliance-related educational activities and training programs, including those for locally hired employees.

In addition to these initiatives, Sojitz promotes a shared awareness of compliance and facilitates the regular exchange of views on future policies through various channels, such as CCO meetings with the presidents of overseas bases and consolidated Group subsidiaries in Sojitz Group's five overseas regions, and liaison meetings for the compliance staff from consolidated subsidiaries in Japan. In order to prevent and detect compliance violations at an early stage, Sojitz encourages employees to carry out the standard reporting, communication, and consultation as they perform their work duties. Sojitz has also introduced an internal reporting system that includes a hotline for contacting the CCO and outside legal counsel; a help desk for contacting the Compliance Committee's secretariat; and the multi-lingual Sojitz Ethics Hotline, which is available 24 hours a day, 365 days a year. All Sojitz Group employees are thoroughly informed of these resources.

Specialized departments, including the Compliance Committee Secretariat (Legal Dept.), conduct fact-finding investigations in the event of a violation of the Sojitz Group Code of Conduct and Ethics.

## 2-2. Members of the Compliance Committee

The Compliance Committee is made up executive officers and led by a chair appointed by the president.

|                 |   |
|-----------------|---|
| Committee Chair | <ul style="list-style-type: none"> <li>Managing Executive Officer, CCO, CISO</li> <li>COO, Legal Department, Internal Control Administration Department</li> </ul>  |
| Members         | <ul style="list-style-type: none"> <li>Senior Managing Executive Officer**</li> <li>CFO, Executive Management of Corporate Departments,</li> <li>Senior Managing Executive Officer*, CDO, CIO, COO, Digital Department</li> <li>Executive Officer, COO, Human Capital Department</li> </ul> |
| Observers       | <ul style="list-style-type: none"> <li>Audit and Supervisory Board Member</li> <li>Senior Auditor</li> <li>General Manager, Secretariat Department</li> </ul>   |
| Secretariat     | <ul style="list-style-type: none"> <li>Legal Department</li> </ul>  |

(Current as of April 1, 2025)

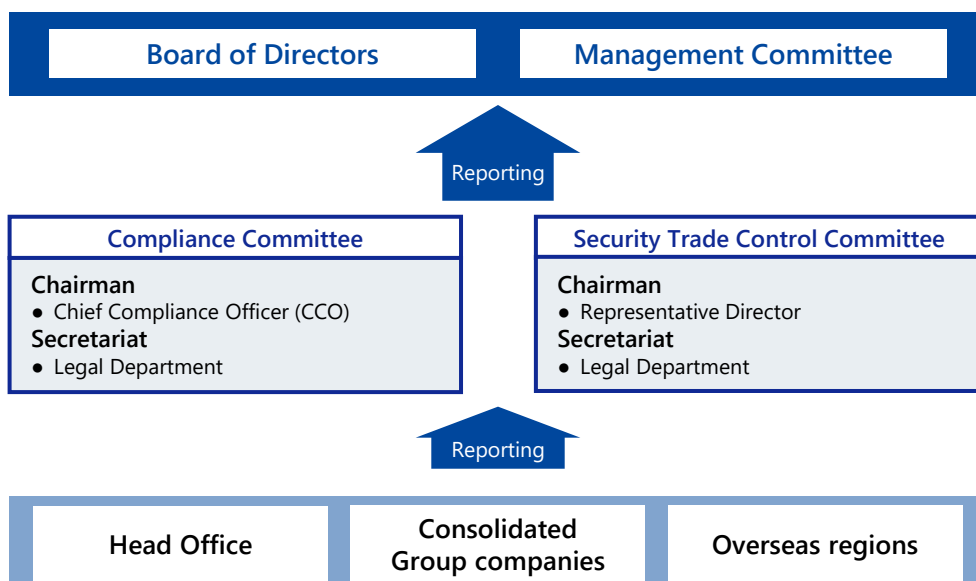
Asterisk (\*) indicates a Director

Double asterisk (\*\*) indicates a Representative Director

## 2-3. Compliance Framework

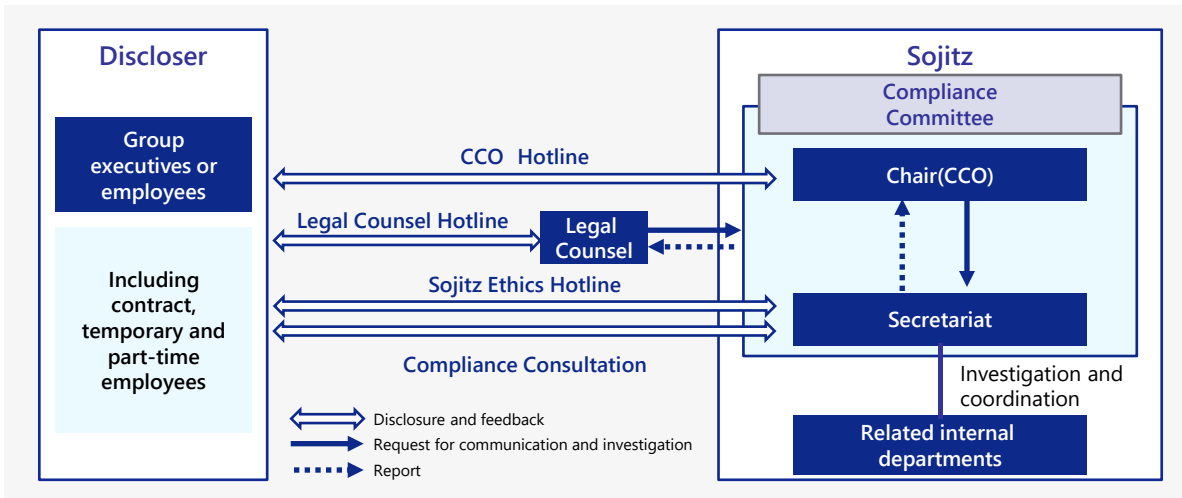
In order to ensure a solid foundation for Sojitz Group's compliance systems, employees are required to promptly report all known or suspected violations of any law or regulation. Sojitz strives to address any violations as an organization and has put measures in place to prevent similar incidents from occurring in the future.

### Compliance Framework



## 2-4. Compliance Hotlines

Sojitz has established multiple compliance hotlines for use by any Sojitz Group member or external party. The hotlines can be used for any compliance-related questions or concerns, and employees can report incidents as part of the internal reporting system through the following hotlines. In addition, any Sojitz Group member or external party can use the "Contact Us about Compliance" contact form found on the Sojitz website.



All information is carefully managed under the internal reporting systems, and reports can be made anonymously. In addition, retaliation and other disadvantageous acts are prohibited to protect whistle blowers.

[Contact Us about Compliance](#)

In FY2024, 213 cases were called in through Sojitz's hotlines.

## 2-5. Response to Compliance-related Violations

In the event that a Group employee commits or is suspected of committing a compliance-related violation, all Sojitz Group employees act in accordance with the Sojitz Group Compliance Program by reporting the violation to a superior and seeking guidance regarding a response.

Upon receiving a report, superiors provide the necessary guidance to the reporting employee and promptly report the details of the incident to the chair of the Compliance Committee.

If a report of a purported compliance-related violation is made, the Compliance Committee's secretariat will act under the guidance of the Compliance Committee chair to conduct a thorough investigation. The secretariat will consult with lawyers and other experts as necessary. The outcomes of the investigation will also be used to establish and implement new measures for preventing similar incidents from occurring in the future.

In FY2024, there were no reports of compliance-related incidents with a significant impact on the performance of Sojitz Corporation and Sojitz Group. There were 92 reports of minor compliance-related infringements.

## 2-6. Internal Auditing

Sojitz Group has established the Internal Audit Department as a body that is independent from the other business executing divisions. This department conducts internal audits of Sojitz Group.

Every fiscal year, the Internal Audit Department creates a yearly auditing plan and selects the organizations that will be subject to auditing from among Sojitz HQ departments, bases in Japan and overseas, and consolidated Group subsidiaries. The Internal Audit Department then carries out its planned audits, with compliance being one category reviewed for each organization. In addition to these standard yearly audits, the Internal Audit Department also conducts separate internal audits of security trade control and anti-corruption within Sojitz Group organizations.

## 2-7. Reports to the Board of Directors

A report is made each year to the board of directors on compliance measures, any instances of compliance violations, and compliance policy for the applicable fiscal year.

# 3. Initiatives

Sojitz Group values the importance of social responsibility and carries out initiatives that are created based on knowledge of strict ethical standards and legal compliance. Sojitz implements the initiatives described here in an equitable and transparent manner with respect to social norms, customs, and cultures.

## 3-1. Instilling a Compliance Mindset

In order to ensure adherence to the Sojitz Group Corporate Statement, Sojitz has established the Sojitz Group Code of Conduct and Ethics—a set of decision-making standards that acts as the foundation for all of Sojitz Group's business activities around the world. Sojitz Group includes many operating bases outside Japan, and therefore actively works to enhance understanding and practice of compliance not only in Japan, but at the global level. The Code of Conduct and Ethics has been translated into 25 languages, including Japanese and English, in order to enable all Group employees in Japan and overseas to acquire a shared compliance mindset.

In addition to the Sojitz Group Code of Conduct and Ethics, Sojitz has established the Sojitz Group Compliance Program, which includes detailed procedures for ensuring thorough compliance practices. Sojitz conducts a variety of compliance trainings, such as e-learnings based on international standards and seminars which focus on specific case studies. Courses are also provided for specific groups including new employees, management-level employees, and employees on overseas assignment prior to their departure. These programs help Group employees (including part-time) deepen their understanding of the Sojitz Group Code of Conduct and Ethics and Sojitz Group Compliance Program, and prevent disparities from arising among Sojitz Group employees' awareness of compliance issues.

The Sojitz Group Compliance Program is reviewed on an annual basis, while the Sojitz Group Code of Conduct and Ethics is revised at least once every five years. The latest major revisions to the Sojitz Group Code of Conduct and Ethics occurred in April 2022.

> [Sojitz Group Code of Conduct and Ethics](#)



## 3-2. Enhancement of Anti-corruption Measures

In recent years, the United States and other countries have tightened regulations against corrupt practices such as bribery or illicit gift-giving to government officials or between private companies, and corruption standards throughout the world are becoming stricter.

Sojitz formulated the Sojitz Group Anti-Corruption Rules in December 2012 and is actively engaged in anti-corruption initiatives. Sojitz upholds all anti-corruption laws and regulations, including Japan's Unfair Competition Prevention Law, the United States' Foreign Corrupt Practices Act, the United Kingdom's Bribery Act 2010, and establishes standards to ensure compliance by all Sojitz Group employees (including part-time) in all countries and regions in which Sojitz Group conducts business.

As part of its anti-corruption efforts, Sojitz divides transactions into the following five categories: 1) providing/receiving gifts, entertainment, and travel, 2) hiring an agent, 3) making political contributions and charitable donations, 4) business acquisition, joint partnership, or other investment/loan activity, and 5) making a facilitation payment. Sojitz has established procedures for identifying and evaluating the risks associated with each transaction, and employees carry out these procedures prior to completing any transaction. In addition, Sojitz periodically conducts dedicated anti-corruption internal audits in order to confirm that the Sojitz Group Anti-Corruption Rules are being implemented in everyday business activities, and the results of these audits are used to create trainings and other educational materials for employees. Sojitz is working to create a system that ensures that the effectiveness of all anti-corruption measures.

Sojitz Group will continue to pursue the highest standards of bribery management. As a Group, we will work to reinforce an anti-bribery mindset and take proactive steps towards implementing and improving upon our anti-bribery management systems.

> [Sojitz Group Anti-Bribery Policy \[PDF:38KB\]](#)

> [Sojitz Group Anti-Corruption Rules \[PDF:369KB\]](#)

We have obtained and annually renew the certification for anti-corruption practices operated by Ethixbase360, known as Tcertification (formerly TRACecertification) (ID: TC3151-4085).



View our complete Tcertified Due Diligence report:

> [Ethixbase 360 Portal: Intermediary Directory \(Tcertification\)](#)

## 3-3. Compliance with Security Trade Controls

Security trade controls require businesses to comply with applicable laws and regulations relating to export controls and sanctions. As a member of the international community, Sojitz Group complies with all export controls-related laws and regulations in order to maintain international peace and security.

A violation of any of these laws and regulations could potentially result in damages to Sojitz Group's credibility, legal fines and penalties, prohibition or restrictions on business transactions including exports, the loss of business relationships with investors and business partners, and exclusion from conducting transactions in certain markets and regions. Sojitz considers these potential outcomes to be serious risks and has established a system for ensuring that these risks do not materialize.

### Read more

> [Sojitz Sanctions and Export Controls Policy](#)

## System and Specific Initiatives

### 1. Commitment and Compliance System

Sojitz has established the Sojitz Group Code of Conduct and Ethics. The document requires that Sojitz Group employees fully understand and comply with all laws and regulations put in place to maintain international peace and security, which represent a worldwide standard on which to conduct business. Sojitz has also established the Sojitz Sanctions and Export Controls Policy. The policy begins with a message from Sojitz's president & CEO stating that in the interest of maintaining international peace and security, the company firmly opposes the development of weapons of mass destruction and any other security threats, and promises to uphold all laws and regulations relating to export controls and sanctions. The document then details Sojitz Group's basic policy on its systems and initiatives for maintaining compliance with these laws and regulations.

#### Read more

> [Sojitz Sanctions and Export Controls Policy](#)

Sojitz has established the Security Trade Control Committee, an organization chaired by a representative director of Sojitz Corporation. The Sojitz Corporation Legal Department has been designated as the secretariat of the committee, and security trade control teams have been established within the Sojitz Corporation Legal Department and within Sojitz Group companies. These teams formulate policies and objectives related to security trade control, establish systems for implementing these policies, and formulate and roll out various measures while overseeing their implementation.

The security trade control teams exchange information and collaborate with each other, and the security trade control team within the Sojitz Corporation Legal Department reports regularly to the Security Trade Control Committee.

### 2. Risk Assessment

Sojitz Group acknowledges that the following activities can potentially lead to the serious risks described in the previous "Compliance with Security Trade Controls" section. Sojitz periodically assesses these risks and carries out reviews of the measures in place to prevent them.

- Conducting transactions such as the export of controlled products without obtaining the necessary licenses
- Conducting regulated transactions without permission
- Conducting transactions with countries, regions, or persons that are subject to regulations without obtaining permission

In order to identify these risks, Sojitz periodically assesses the following: whether Sojitz is handling controlled products in a country of export or third-party country; whether Sojitz is conducting regulated transactions; whether Sojitz is conducting transactions or business activities in a restricted country or region; and whether Sojitz is conducting transactions with persons that are subject to regulations.

When a risk is detected, Sojitz promptly analyzes the risk, considers the necessary measures, and takes action such as immediately suspending transactions, terminating contracts, and notifying the relevant authorities.

### 3. Internal Controls

Sojitz Corporation and Sojitz Group companies formulate their own security trade control regulations based on the Sojitz Sanctions and Export Controls Policy, and creates and implements specific procedures for conducting security trade control. At Sojitz Corporation, for example, when conducting exports and other transactions, approval must be obtained from a Security Trade Control Committee member in charge of transaction screening or the general manager of the Legal Department who has been delegated by the chair of the Security Trade Control Committee. In addition, when making investments, approval procedures are required in accordance with internal rules, and the Legal Department participates in these procedures as a deliberator to analyze, evaluate, and consider countermeasures against security trade control risks.

The Sojitz Sanctions and Export Controls Policy and security trade control regulations are made known to employees through the company intranet and through trainings.

## 4. Audit

The Sojitz Corporation Internal Audit Department conducts internal audits of Sojitz Group, including specific security trade control-related audits. Based on the Sojitz Sanctions and Export Controls Policy, the department determines the target organizations for each year and conducts security trade control audits in accordance with its annual audit plan. The Legal Department of Sojitz Corporation cooperates and exchanges information with the Internal Audit Department and participates in audits as necessary. The Internal Audit Department shares risks detected through internal audits with the Legal Department. Countermeasures are discussed and implemented by the audited departments/Group companies with the assistance of the Legal Department or the security trade control teams at the relevant Sojitz Group companies.

## 5. Training

Sojitz Group conducts trainings for employees based on the Sojitz Sanctions and Export Controls Policy and security trade control regulations.

The Legal Department of Sojitz Corporation and the security trade control teams at Sojitz Group companies design, plan, and conduct these trainings.

Examples of potential training topics include: an overview of Sojitz Group's security trade control policies and systems, an overview of applicable export controls (including U.S. re-export regulations), an overview of the sanctions resolutions passed by the United Nations and the laws and regulations passed by individual countries, the implications for Sojitz Group violations of these laws, precautions for employees to take, and penalties for violations.

## 3-4. Sojitz Group Tax Policy

Sojitz Group strives to execute its tax obligations in a timely and appropriate manner as it develops business in countries around the world.

### Read more

> [Sojitz Group Tax Policy](#)

## 3-5. Status of Compliance-related Trainings (FY2024)

Sojitz conducts trainings to instill a compliance mindset in all Group employees.

In FY2024, Sojitz conducted various compliance trainings not only at Tokyo HQ, but also for 33 Group companies in Japan and overseas.

### Trainings

- Message on compliance from Sojitz management
- Pre-departure trainings for overseas assignment
- Specialized pre-departure trainings for regional presidents on overseas assignments
- Trainings for pre-management employees on Sojitz principles
- New employee trainings
- Trainings for mid-career hires
- Trainings on information management
- Trainings for managers on harassment prevention
- Trainings for Group company managers on harassment prevention
- Trainings for Group company employees on harassment prevention
- Trainings for Group company employees on compliance
- Trainings for Group company employees on information management
- Trainings for Group company employees on anti-corruption measures

Since FY2024, Sojitz has designated one month a year towards strengthening Sojitz Group's compliance as part of a new initiative geared towards raising greater awareness for all employees (including part-time). Sojitz also holds a combination of compliance discussions, classes, and workshops. These trainings are held to give Sojitz employees the opportunity to reassess the importance of compliance and to further raise employees' awareness of compliance throughout the Group.

## e-Learning

We ensure that important information is always available to all employees (including part-time) through the e-Learnings listed below.

Sojitz Group Code of Conduct and Ethics e-learning

Mandatory compliance e-learning

Sojitz Group compliance hotlines e-learning

Sojitz Group harassment prevention e-learning

Anti-corruption e-learning

Basics of compliance e-learning