

# Notice of the 19th Ordinary General Shareholders' Meeting



New way, New value

To be held at 10:00 a.m. on  
Friday, June 17, 2022 at  
Rose Banquet Hall (3F) at Tokyo Kaikan

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## Sojitz Corporation

(Securities code 2768)

### Request to refrain from visiting

This Ordinary General Shareholders' Meeting will be streamed live via the Internet. In order to prevent the spread of COVID-19, we request that you refrain from attending the Ordinary General Shareholders' Meeting and exercise your voting rights in advance either in writing or on the Internet. We will be accepting questions in advance of the meeting.

### Deadline for Exercising Voting Rights by Postal Mail or the Internet:

No later than 5:30 p.m. on Thursday, June 16, 2022 (JST)



The following is an English translation of the Notice of the 19th Ordinary General Shareholders' Meeting of Sojitz Corporation ("Sojitz") to be held on June 17, 2022. Sojitz provides this translation for your reference and convenience only. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Sojitz hereby disclaims all representations and warranties with respect to this translation, whether express or implied, including, but not limited to, any representations and warranties with respect to accuracy, reliability or completeness of this translation. Under no circumstances shall Sojitz be liable for any damages of any kind of nature, including, but not limited to, direct, indirect, special, punitive, consequential or incidental damages arising from or in connection with this translation. Also, this document was created for the purpose of providing information to our shareholders that will help them make informed decisions. It was not created to solicit investors to buy or sell Sojitz's shares. The final decision and responsibility for investments rests solely with the reader of this document.

To Our Shareholders,



I would like to express my deep appreciation for your kind support for Sojitz Corporation. As we engage in global business activities, we are deeply concerned about the current situation in Russia and Ukraine. We sincerely hope that all people will regain peace and world peace will return as soon as possible.

The Medium-Term Management Plan 2023 ~Start of the Next Decade~, which started in April 2021, is now in its second year. Looking back on FY2021, the first year of the plan, we achieved the highest profit since the inception of our company, despite the lingering effects of the novel coronavirus. Besides the rise in resource prices, earnings from

new investments made since the Medium-Term Management Plan 2017 have contributed to the steady increase in our earning power.

In addition to executing investments with a sense of scale in the areas of focus set forth in the Medium-Term Management Plan 2023, we are also making steady progress in creating new business models that leverage digital technology and creating value through the transformation of existing businesses. In terms of human resource strategy, we are creating an environment that maximizes the individuality and strengths of our employees under the theme of “transforming diversity into competitiveness.” We are also promoting sustainability in our business and society by taking on the challenge of realizing a decarbonized society through our business and respecting human rights, including in our supply chain. We believe that these efforts will lead us toward our goal of becoming a “general trading company that constantly cultivates new businesses and human capital” by 2030 and, as a result, to achieve a PBR of 1.0 times or above, one of the quantitative targets of the Medium-Term Management Plan 2023, as we practice sustainable value creation.

Significant changes in the environment are expected in the future, including geopolitical risks such as Russia’s invasion of Ukraine. In our business, nothing is absolute and unchanging, and we must constantly change ourselves. We seek to gain a competitive advantage and pursue business growth by transforming various risks and changes into opportunities, adopting local market-oriented initiatives thoroughly, collaborating proactively in and outside Sojitz, and striving for speed, while continuing to transform our organization and human resources as necessary. By doing so, we will practice continuous value creation.

We look forward to your continued understanding and support.

May 2022  
Masayoshi Fujimoto  
Representative Director, President & CEO

## Message to our shareholders

### We Aim to Become a General Trading Company that Constantly Cultivates New Businesses and Human Capital

Sojitz has formulated the Medium-Term Management Plan 2023-“Start of the Next Decade,” a three-year plan started in April 2021, and announced its vision for 2030 as becoming a general trading company that constantly cultivates new businesses and human capital. The Company will seek to realize this vision by fulfilling the mission of a general trading company: delivering goods and services where necessary. Pursuing higher levels of competitiveness and growth through adopting local market-oriented initiatives, collaborating proactively in and outside Sojitz, and striving for speed while transforming organizations and human resources as necessary, Sojitz will continue to create value.

#### Corporate Statement :

The Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity.

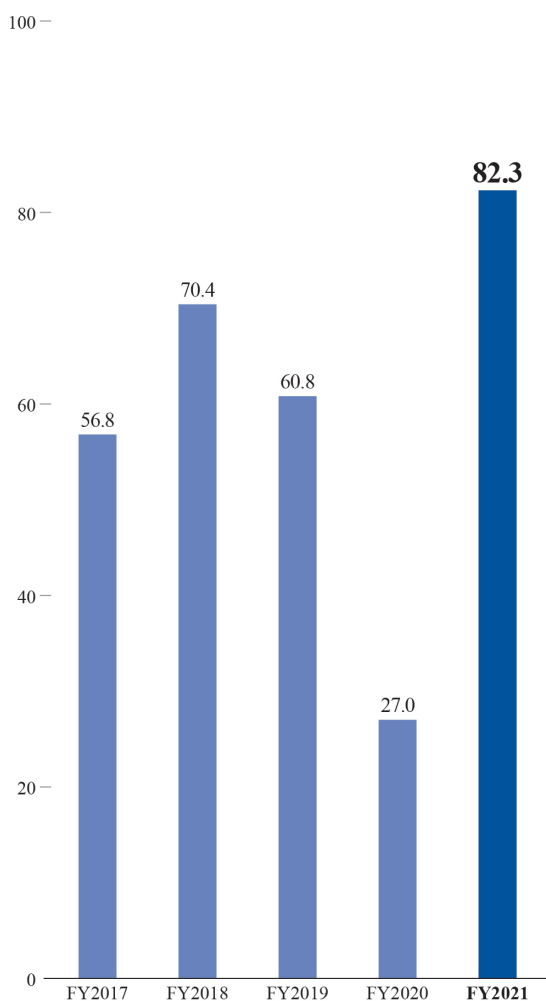


## We Achieved the Highest Profit since the Inception of Sojitz

Profit for the year ended March 31, 2022 was 82.3 billion yen, the highest since Sojitz's inception. Despite the uncertain business environment, the company recorded its highest profit in three years and plans its highest dividend per share ever.

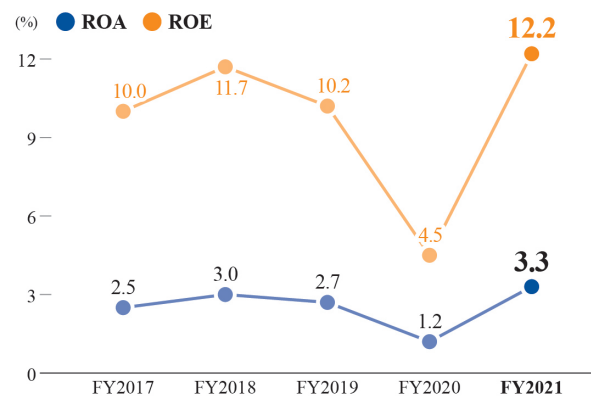
### Profit for the year (attributable to owners of the Company)

(Billions of Yen)



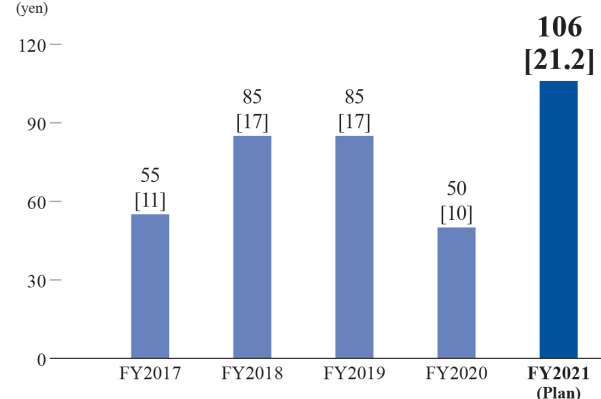
### ROA/ROE

(%) ● ROA ● ROE



### Dividends per share (annual)/consolidated payout ratio

(yen)



Payout ratio	24.2%	30.2%	34.8%	44.4%	30.1%
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\*The Company conducted a one-for-five share consolidation of shares of common stock effective October 1, 2021, and the amounts reflect the retroactive effect of the share consolidation. The amounts without the effect of the share consolidation are shown in brackets.



## **We Have Established a Highly Transparent and Effective Management Structure**

### Sojitz's Governance Structure from a Perspective of the Chairman of the Board of Directors

It has been almost two years since I assumed the role of Chairman of the Board of Directors. During this time, I have realized that the Board of Directors functions as a place where each of the diverse board members can speak freely and engage in constructive discussions. Especially in FY2021, we focused on the agenda items related to the progress of the Medium-Term Management Plan and medium- to long-term growth strategies, and I feel that we were able to have more in-depth discussions.

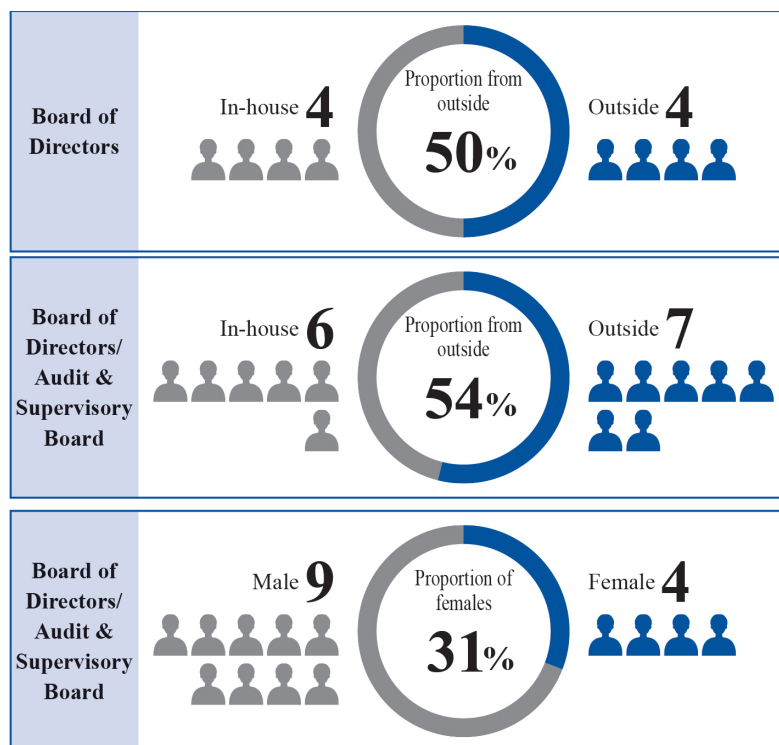
Half of the Board of Directors are Outside Directors, and when Audit & Supervisory Board members are included, Outside Directors and Outside Audit & Supervisory Board Members make up the majority of the total number of directors and Audit & Supervisory Board members. If the proposals for the election of officers are approved by this General Shareholders' meeting, four (4) out of the total of thirteen (13) directors and Audit & Supervisory Board members will be women, and we will also strengthen its diversity by having a wide range of age groups and officers with various backgrounds.

We will continue to make every effort to increase our corporate value by further improving our management transparency and effectiveness.



Norio Otsuka  
Outside Director  
Chairman of the Board of Directors

Structure after the Ordinary General Shareholders' Meeting on June 17, 2022 (Plan)



## Our Board of Directors and Audit & Supervisory Board is Structured to Enhance the Effectiveness of Management Strategies

In implementing our management strategy, our Board of Directors and Audit & Supervisory Board are required to support swift and decisive decision-making by the executives and to effectively supervise business execution. Therefore, Sojitz believes it is important for the Board of Directors and the Audit & Supervisory Board to have knowledge of international affairs, economics, and culture, as well as a global perspective that allows for dialogue and acceptance of diversity. In addition, knowledge and experience in formulating and implementing management strategies and policies, knowledge and experience in M&A, investment and financing to create opportunities for sustainable growth, and experience in business management to increase business value are considered important. Sojitz also believes that expertise in risk management, legal affairs, finance and accounting, and internal controls are necessary to strengthen the business foundation.

In particular, in the election of candidates for the Board of Directors proposed at this General Shareholders' Meeting, Sojitz has placed emphasis on the skills and careers related to the environment and society in order to further promote the realization of a decarbonized, circular economy and the resolution of social issues.

### Skills Matrix of Sojitz's Board of Directors and Audit & Supervisory Board

Directors/Audit & Supervisory Board Members after the Ordinary General Shareholders' Meeting to be held on June 17, 2022  
(Plan)



Name	Masayoshi Fujimoto	Seiichi Tanaka	Ryutaro Hirai	Masaaki Bito	Norio Otsuka	Naoko Saiki
Position	Representative Director, President & CEO	Representative Director, CFO	Representative Director	Director	Outside Director, Chairman of the Board of Directors  <Outside> <Independent>	Outside Director  <Outside> <Independent>
Global	•	•	•	•	•	•
Business management	•		•		•	
Corporate planning	•		•	•	•	
Legal						•
Risk management		•				
Mergers, acquisitions, investments, loans, and financial markets		•				
Finances and accounting		•			•	
Human resources			•			•
Internal control		•				
Environment and social	•			•		•



Name	Ungyong Shu	Haruko Kokue
Position	Outside Director <Outside> <Independent>	Outside Director <Outside> <Independent>
Global	•	•
Business management	•	
Corporate planning		•
Legal		
Risk management	•	
Mergers, acquisitions, investments, loans, and financial markets	•	
Finances and accounting		
Human resources		
Internal control		
Environment and social		•

Masaaki Kushibiki	Takehiro Honda	Michiko Nagasawa	Kazuhiro Yamamoto	Junko Kamei
Audit & Supervisory Board Member (Full-time)	Audit & Supervisory Board Member (Full-time)	Outside Audit & Supervisory Board Member <Outside> <Independent>	Outside Audit & Supervisory Board Member <Outside> <Independent>	Outside Audit & Supervisory Board Member <Outside> <Independent>
•	•	•	•	•
	•		•	
	•		•	
		•		
•				
•			•	•
•	•			
		•		•

- The skills, careers, and expertise required for the Board of Directors and Audit & Supervisory Board 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 (●). This is not an exhaustive list of all the skills, careers, and expertise possessed by each officer.
- Digital transformation (DX), such as the creation and transformation of business models using digital technology, is also an important element, and is complemented by having an executive officer with DX skills, career, and expertise as CDO (Chief Digital Officer).

May 27, 2022

To Our Shareholders:

Masayoshi Fujimoto  
Representative Director, President & CEO  
1-1, Uchisaiwaicho 2-chome, Chiyoda-ku,  
Tokyo  
**Sojitz Corporation**

**Notice of the 19th Ordinary General Shareholders' Meeting**

The 19th Ordinary General Shareholders' Meeting of Sojitz Corporation ("Sojitz") will be held as described below.

In order to prevent the spread of COVID-19, you are requested to exercise your voting rights in writing or via the Internet in advance if at all possible, and refrain from coming to the meeting.

Please read the attached Reference Documents for the General Shareholders' Meeting and exercise your voting rights in accordance with the instructions on pages 10 and 11 by no later than 5:30 p.m. on Thursday, June 16, 2022 (JST).

<b>Date and Time</b>	<b><u>10:00 a.m.</u>, Friday, June 17, 2022</b> (The reception is scheduled to open at 9:00 a.m.)
<b>Place</b>	<b>Rose Banquet Hall (3F) at Tokyo Kaikan</b> 2-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo  * This Ordinary General Shareholders' Meeting will be streamed live via the Internet, so we ask that you watch the meeting via the Internet and refrain from coming to the meeting in person.

**Purpose of the Meeting**

<b>Matters to be reported:</b>	(1) The 19th fiscal year (from April 1, 2021 to March 31, 2022) business report, the consolidated financial statements, and the audit reports concerning the consolidated financial statements by the accounting auditor and the Audit & Supervisory Board  (2) The 19th fiscal year (from April 1, 2021 to March 31, 2022) non-consolidated financial statements
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<b>Matters to be resolved:</b>	<p><b>Proposal No. 1 Dividends from Surplus (Year-End Dividends for the 19th fiscal year)</b></p> <p><b>Proposal No. 2 Partial Amendments of the Articles of Incorporation</b></p> <p><b>Proposal No. 3 Election of Eight (8) Directors</b></p> <p><b>Proposal No. 4 Election of One (1) Audit &amp; Supervisory Board Member</b></p>
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- If you exercise your voting rights at the meeting by proxy, you must appoint only one proxy who is a shareholder with voting rights in Sojitz, in accordance with the Articles of Incorporation of Sojitz. In this case, your proxy will be requested to present your letter of proxy, together with your Voting Right Exercise Form at the reception desk upon arrival at the meeting.
- In order to maintain distance between seats, the number of seats will be limited. Please be aware that not all wishing to attend the meeting may be able to enter the meeting site.
- The action taken is subject to change depending on factors including the status of COVID-19's spread and announcements made by the government until the day of the General Shareholders' Meeting. Please be sure to check our website below for information as appropriate.
- A video of the business report for the 19th fiscal year will be posted in advance on the Sojitz website below.

#### Posting of Matters Concerning Notice of Convocation on Our Website

- Notice of Convocation is posted on the Sojitz website.
- The following items are posted on the Sojitz websites in accordance with laws and regulations and Article 14 of the Articles of Incorporation, and are not included in the attachments to this Notice of Convocation.
  - [Business Report]
    - Basic Concept and Status of Implementation and Operation of Internal Control System
    - Accounting Auditor
  - [Consolidated Financial Statements]
    - Consolidated Statement of Changes in Equity
    - Notes to the Consolidated Financial Statements
    - (Reference) Consolidated Statement of Profit or Loss and Other Comprehensive Income
  - [Non-consolidated Financial Statements]
    - Non-consolidated Statement of Changes in Net Assets
    - Notes to the Non-consolidated Financial Statements
- The Audit & Supervisory Board and the Accounting Auditor have audited the documents to be audited, including the matters and documents posted on the Sojitz website.
- In the event of any revisions to the Reference Documents for the General Shareholders' Meeting, the Business Report, Consolidated Financial Statements or Non-Consolidated Financial Statements, Sojitz will publish the amendments on our website.

[Sojitz website]

<https://www.sojitz.com/en/ir/stkholder/general/>



## Guidance for Exercising Voting Rights

**Please read the attached Reference Documents for the General Shareholders' Meeting, and exercise your voting rights in advance through either of the following methods:**

**<Recommended methods for the exercise of voting rights for this fiscal year>**

**1. Exercising voting rights by postal mail**

**Deadline for exercising voting rights: To arrive no later than 5:30 p.m. on Thursday, June 16, 2022 (JST)**

Please indicate your approval or disapproval on each proposal on the enclosed Voting Right Exercise Form, and return it by postal mail.

\*In the event Sojitz receives the form which has no indication of either approval or disapproval on any of the proposals made by Sojitz, Sojitz will regard such proposals as being approved.

**2. Exercising voting rights by electronic method (The Internet)**

**Deadline for exercising voting rights: No later than 5:30 p.m. on Thursday, June 16, 2022 (JST)**

Please access the website designated by Sojitz for exercising voting rights which is at <https://evote.tr.mufg.jp/> through your smartphone or computer, etc., and enter your vote for each proposal according to the instructions on the screen. Please see page 11 for details.

**Handling of voting rights exercised in duplicate**

- If your voting rights are exercised in duplicate, both via postal mail and via the Internet, the vote made via the Internet will be treated as the valid vote.
- If you exercise your voting rights more than once via the Internet, only the last vote made will be treated as valid.

**3. Exercising voting rights by attending the General Shareholders' Meeting**

**Date and time of the General Shareholders' Meeting: 10:00 a.m. on Friday, June 17, 2022 (JST)**

Please present the enclosed Voting Right Exercise Form at the reception desk upon arrival at the meeting.

**<For institutional investors: Electronic Voting Platform>**

Nominal shareholders such as trust banks (including standing proxies) who apply in advance to use the Electronic Voting Platform for foreign and institutional investors operated by ICJ, Inc. may use the platform to exercise their voting rights.

### **Instructions for Exercising Voting Rights by the Internet**

To exercise your voting rights via the Internet, please access the website designated by Sojitz for this purpose (<https://evote.tr.mufg.jp/>) via a smartphone or computer, etc. Once you have accessed the site, please use the login ID and temporary password provided on the enclosed Voting Right Exercise Form and exercise your voting rights according to the instructions displayed on the screen.

#### **Precautions to observe**

##### **Costs incurred from accessing the website for exercising voting rights**

The costs incurred from accessing the website designated by Sojitz for exercising voting rights (such as the Internet connection charges or communication fees) shall be borne by the shareholder.

#### **For technical inquiries, please contact:**

Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division (Help Desk)  
Tel: 0120-173-027 (Business hours: 9:00 a.m. to 9:00 p.m. (JST); toll free, within Japan only)

## Reference Documents for the General Shareholders' Meeting

### Proposals and References

#### **Proposal No. 1: Dividends from Surplus (Year-End Dividends for the 19th fiscal year)**

Sojitz recognizes that paying stable, continuous dividends is a management priority, together with boosting competitiveness and enhancing shareholder value through the accumulation and effective use of retained earnings.

Under the Medium-Term Management Plan 2023, the basic dividend policy is set to a consolidated payout ratio of around 30%, with a minimum dividend of 4% of DOE based on market value (\*1) if PBR is less than 1.0 times at the end of each fiscal year, and a minimum dividend of 4% of DOE based on book value (\*2) if PBR is 1.0 times or more.

In light of the financial results for the year ended March 31, 2022 and the adequacy of its total equity, Sojitz hereby proposes Year-End Dividends for this fiscal year of ¥61 per share as follows.

Since Sojitz paid an interim dividend of ¥45 per share (based on the number of shares after the share consolidation) on December 1, 2021, the annual dividend per share will be ¥106, and the consolidated dividend payout ratio will be 30.1%. DOE based on market value is 6.1%, exceeding the minimum limit of 4%.

(\*1) DOE based on market value = Annual dividend per share / Share price (Annual average of closing prices for each fiscal year)

(\*2) DOE based on book value = Annual dividend per share / Total equity per share attributable to owners of the Company (At the end of each fiscal year)

#### **(1) Type of Dividend Property**

Cash

#### **(2) Allocation of Dividend Property to shareholders, and the total amount**

¥61 per share in common stock of Sojitz

¥14,141,785,367 in total

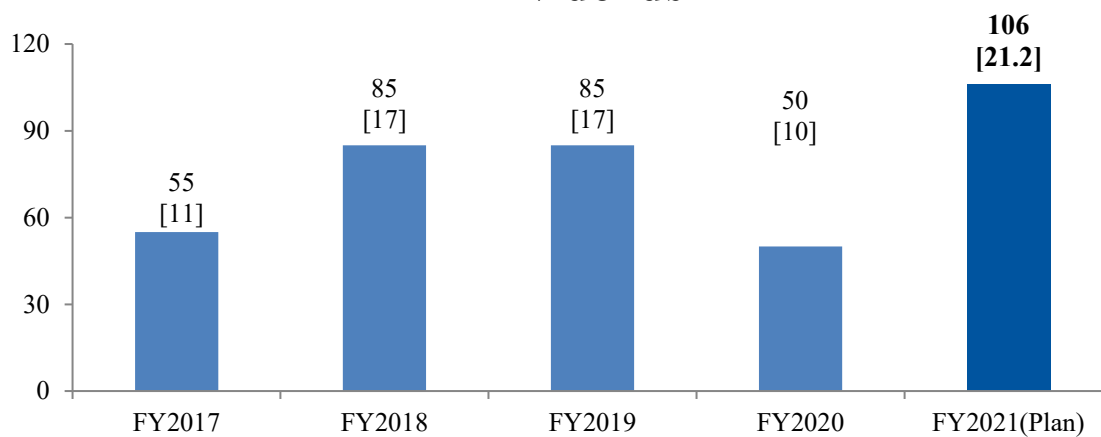
#### **(3) Effective date of Dividends from Surplus**

June 20, 2022

(Reference) Dividends per share (annual)/consolidated payout ratio

(yen)

## Dividends



Payout ratio	24.2%	30.2%	34.8%	44.4%	30.1%
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(Note) The Company conducted a one-for-five share consolidation of shares of common stock effective October 1, 2021, and the amounts reflect the retroactive effect of the share consolidation. The amounts without the effect of the share consolidation are shown in brackets.

## **Proposal No. 2: Partial Amendments of the Articles of Incorporation**

Sojitz proposes the partial amendments of its current Articles of Incorporation as follows.

### **1. Purpose of Amendments**

#### **(1) Amendments to the Convocation Rules for General Shareholders' Meetings**

The Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts stipulates that listed companies may convene general shareholders' meetings with no designated physical venue ("virtual only shareholder meetings")

In light of advancements in digitalization as well as the risks presented by large scale disasters such as infectious diseases and natural disasters, Sojitz will expand its options in terms of the method in which shareholders' meetings are held to offer greater benefits and safety for all shareholders. Sojitz proposes to add Article 11, Paragraph 2 of the Articles of Incorporation to allow general shareholders' meetings to be held with no designated physical location.

The method of Sojitz's general shareholders' meetings will be determined prior to each meeting in order to prioritize the rights of our shareholders and to take into account societal demands in relation to infectious diseases and large-scale disasters through careful consideration and resolution by the Board of Directors.

#### **(2) Amendments for Providing Reference Documents for General Shareholders' Meetings in Electronic Format**

The amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the Act for Partially Amending the Companies Act (Act No. 70 of 2019) will come into effect on September 1, 2022. Sojitz will therefore implement the following amendments to its Articles of Incorporation in order to prepare for the introduction of a system to provide electronic Reference Documents for General Shareholders' Meetings.

1. The proposed amendments to Paragraph 1 of Article 14 stipulate that Reference Documents for the General Shareholders' Meetings be made available through an electronic system.
2. The proposed amendments to Paragraph 2 of Article 14 establish a provision to limit the scope of information included in physical documents sent to shareholders who have requested paper copies.
3. The provisions related to the Internet Disclosure and Deemed Provision of Reference Documents for General Shareholders' Meeting (Article 14 of the current Articles of Incorporation) will become unnecessary and therefore be deleted.

4. Supplementary provisions will be established which specify the date from which the aforementioned additions and deletions to the Articles of Incorporation will take effect.

## 2. Content of Proposed Amendments

The amendments are as follows.

(Amendments appear as underlined text)

Current Articles of Incorporation	Proposed Amendments
<p>Article 11 (Convocation)</p> <p>The Ordinary General Shareholders' Meeting shall be convened within three (3) months after the end of each business year, and the Extraordinary Meeting of Shareholders shall be convened whenever necessary.</p>	<p>Article 11 (Convocation)</p> <p>1. The Ordinary General Shareholders' Meeting shall be convened within three (3) months after the end of each business year, and the Extraordinary Meeting of Shareholders shall be convened whenever necessary.</p> <p>2. The General Shareholders' Meeting <u>may be held without a designated location.</u></p>
<p><u>Article 14 (Disclosure via the Internet and Deemed Delivery of Reference Documents for the General Shareholders' Meeting)</u></p> <p><u>When convening the General Shareholders' Meeting, the Company may deem that it has provided shareholders with information relating to items to be described or indicated in the reference documents for the General Shareholders' Meeting, business reports, nonconsolidated financial statements and consolidated financial statements, by disclosing such information via the Internet, in accordance with the relevant Ordinance of the Ministry of Justice.</u></p>	<p>&lt;Deleted&gt;</p>
<p>&lt;Newly established&gt;</p>	<p><u>Article 14 (Measures for the Electronic Provision of Information, etc.)</u></p> <p>1. <u>When the Company convenes a General Shareholders' Meeting, the Company shall electronically provide information of the reference documents for the General Shareholders' Meeting and others.</u></p> <p>2. <u>Among the matters provided electronically, the Company may partially or fully omit matters designated by the Ordinance of the Ministry of Justice in the documents delivered to shareholders who have requested a printed copy of reference documents prior to the record date for voting.</u></p>



Current Articles of Incorporation	Proposed Amendments
	<u>rights.</u>
<Newly established>	<p><u>(Supplementary Provisions)</u></p> <p>1.) <u>The amendments to Article 14 of these Articles of Incorporation shall take effect on September 1, 2022, the effective date of the amendment provisions prescribed in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Effective Date”).</u></p> <p>2.) <u>Notwithstanding the preceding paragraph, Article 14 of these Articles of Incorporation (Disclosure via the Internet and Deemed Delivery of Reference Documents for the General Shareholders’ Meeting) shall remain in effect for a General Shareholders’ Meeting held within six months from the Effective Date.</u></p> <p>3.) <u>These supplementary provisions shall be deleted on the date when six months have elapsed from the Effective Date or three months have elapsed from the date of the General Shareholders’ Meeting in the preceding paragraph, whichever comes later.</u></p>

### Proposal No. 3: Election of Eight (8) Directors


The Board of Directors of Sojitz currently consists of eight (8) Directors including four (4) Outside Directors, all of whose terms terminate as of the conclusion of this General Shareholders' Meeting. Accordingly, Sojitz hereby proposes the election of eight (8) Directors including four (4) Outside Directors.

The Candidates for Directors are as follows. Prior to the selection of the candidates, the Nomination Committee, an advisory body of the Board of Directors of Sojitz, deliberated and decided on the nomination.


Each of the four (4) Outside Director candidates meets the requirements for Independent Director set forth in the listing rules of the Tokyo Stock Exchange, Inc., on which Sojitz is listed, and they will be registered as Independent Directors if their election is resolved.


No.	Name (age), gender	Current position at Sojitz	Attendance at the Board of Directors meetings (for the fiscal year ended March 31, 2022)	Term of office as Director
1	*Masayoshi Fujimoto (64), male <Reappointment>	Representative Director, President & CEO	16/16 (100%)	5 years
2	*Seiichi Tanaka (61), male <Reappointment>	Representative Director, Executive Vice President, CFO	16/16 (100%)	5 years
3	*Ryutaro Hirai (63), male <Reappointment>	Representative Director, Executive Vice President	16/16 (100%)	2 years
4	Masaaki Bito (56), male <New appointment>	Senior Managing Executive Officer	—	—
5	Norio Otsuka (71), male <Reappointment> <Outside Director> <Independent Director>	Outside Director, Chairman of the Board of Directors	16/16 (100%)	4 years
6	Naoko Saiki (63), female <Reappointment> <Outside Director> <Independent Director>	Outside Director	16/16 (100%)	2 years
7	Ungyong Shu (59), male <Reappointment> <Outside Director> <Independent Director>	Outside Director	12/12 (100%)	1 year
8	Haruko Kokue (63), female <New appointment> <Outside Director> <Independent Director>	—	—	—

- (Notes)
1. The age of each candidate is as of the day of the General Shareholders' Meeting.
  2. If this proposal is resolved, each person marked with an asterisk (\*) will be appointed as a Representative Director at the Board of Directors meeting to be held after the conclusion of the General Shareholders' Meeting.
  3. Mr. Ungyong Shu's name in the family register is Ungyong Shu with the first name recorded in katakana instead of kanji in Japanese.
  4. There is no special interest between any of these Director candidates and Sojitz.
  5. Sojitz has a limited liability agreement with Mr. Norio Otsuka, Ms. Naoko Saiki, and Mr. Ungyong Shu limiting their liabilities to the higher of ¥10 million or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan. If this proposal is resolved, Sojitz plans to extend the above limited liability agreement with Mr. Norio Otsuka, Ms. Naoko Saiki, and Mr. Ungyong Shu and newly enter into a similar limited liability agreement with Ms. Haruko Kokue.
  6. Sojitz has concluded a Directors and Officers liability insurance contract with an insurance company, which covers the damages and litigation expenses incurred by the insured, Sojitz's Directors, in the event of a claim for damages arising from their actions (including omissions) in connection with their duties as our officers. Sojitz bears the full amount of insurance premiums. All of Director candidates will be covered as the insured under the insurance contract. Sojitz plans to renew the insurance contract during the term of office of the officers.

No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
1	 <b>Masayoshi Fujimoto</b> (January 9, 1958, 64) <Reappointment> Term of office as Director: 5 years (as of the conclusion of the Meeting) Attendance at the Board of Directors meetings: 16/16 (100%)	April 1981 Joined Nissho Iwai Corporation April 2005 General Manager of Automotive Department 3, Sojitz Corporation December 2008 Director President, MMC Automotriz S.A. August 2012 Sojitz Corporation of America Regional General Manager, Machinery Division, Americas October 2014 Corporate Officer Senior General Manager, Corporate Planning, Sojitz Corporation April 2015 Executive Officer October 2015 Managing Executive Officer April 2016 Senior Managing Executive Officer June 2017 Representative Director, President & CEO (current position) [Reasons for the nomination of the candidate for Director] Since assuming the position of Representative Director, President & CEO of Sojitz in 2017, Masayoshi Fujimoto has contributed to the creation of new business foundations by promoting healthcare, renewable energy, and other businesses of increasing social significance. In addition, he formulated policies for achieving a decarbonized society and created a system for developing human resources, building a management foundation that can respond to changes in the external environment. Sojitz has chosen Masayoshi Fujimoto as Director candidate predicated on its judgment that he will best demonstrate his management skills with strong leadership, while promoting the Medium-Term Management Plan 2023, in order to maximize corporate value and to achieve Sojitz's goal of becoming a general trading company that constantly cultivates new businesses and human capital.	63,418 (Of which, the number of shares to be delivered under the share remuneration system: 23,998)


(Note) The number of Sojitz's shares owned by each candidate includes the number of shares to be delivered after retirement under the share remuneration system (as of March 31, 2022) as an internal number.


No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
2	 <b>Seiichi Tanaka</b> (September 14, 1960, 61) <Reappointment> Term of office as Director: 5 years (as of the conclusion of the Meeting) Attendance at the Board of Directors meetings: 16/16 (100%)	April 1984 Joined Nissho Iwai Corporation April 2011 General Manager, Finance Department, Sojitz Corporation April 2014 Executive Officer April 2016 Managing Executive Officer, CFO June 2017 Representative Director, Senior Managing Executive Officer, CFO April 2019 Representative Director, Executive Vice President, CFO (current position) [Current responsibilities] Executive Management of General Accounting, Business Accounting, Finance, IR, Financial Solutions [Reasons for the nomination of the candidate for Director] Seiichi Tanaka has been engaged in the finance-related operations of Sojitz for many years, and as CFO since 2016, he has contributed to increasing corporate value through promoting improvement in the quality of assets and enhancement of financial standing. In particular, his management style which emphasizes cash flows has helped Sojitz to build up a solid financial base under difficult circumstances on a global level. Sojitz has chosen Seiichi Tanaka as Director candidate predicated on its judgment that he is best suited to take advantage of his accomplishments through the execution of his duties to date as well as his specialized knowledge and abundant experience to maintain the stability of our financial base while aggressively pursuing new investments for growth, and remains qualified to perform his duties as Director.	33,870 (Of which, the number of shares to be delivered under the share remuneration system: 17,110)


No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
3	 <b>Ryutaro Hirai</b> (July 31, 1958, 63) <Reappointment> Term of office as Director: 2 years (as of the conclusion of the Meeting) Attendance at the Board of Directors meetings: 16/16 (100%)	<p>April 1982 Joined Nissho Iwai Corporation</p> <p>October 2003 General Manager, Corporate Planning Department, Nissho Iwai American Corporation</p> <p>April 2009 General Manager, Human Resources &amp; General Affairs Department, Sojitz Corporation</p> <p>April 2013 Executive Officer, Human Resources &amp; General Affairs</p> <p>April 2015 Managing Executive Officer, Secretariat, Human Resources &amp; General Affairs</p> <p>April 2017 Managing Executive Officer, President &amp; CEO for Asia &amp; Oceania</p> <p>April 2019 Senior Managing Executive Officer, Executive Management of Business Group (Automotive, Aerospace &amp; Transportation Project, Machinery &amp; Medical Infrastructure, Energy &amp; Social Infrastructure, Metals &amp; Mineral Resources)</p> <p>April 2020 Executive Vice President, Advisor to the President, Executive Management of Business Group (Automotive, Aerospace &amp; Transportation Project, Machinery &amp; Medical Infrastructure, Energy &amp; Social Infrastructure, Metals &amp; Mineral Resources)</p> <p>June 2020 Representative Director, Executive Vice President (current position)</p> <p>[Current responsibilities]            Advisor to the President            Executive Management of Business Group (Automotive, Aerospace &amp; Transportation Project, Infrastructure &amp; Healthcare), and East Asia region</p> <p>[Reasons for the nomination of the candidate for Director]            Ryutaro Hirai has held important positions, including in machinery-related business and as Executive Officer assigned to Human Resources &amp; General Affairs and President &amp; CEO for Asia &amp; Oceania. He is currently promoting global business development as the Executive Management of Business Group (Automotive, Aerospace &amp; Transportation Project, Infrastructure &amp; Healthcare). Sojitz has chosen Ryutaro Hirai as Director candidate predicated on its judgment that he will be able to continue to play a role in the enhancement of Sojitz's corporate value based on his deep insight and abundant experience developed from having served in these positions as well as knowledge of human resource policies.</p>	28,599  (Of which, the number of shares to be delivered under the share remuneration system: 8,319)


No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
4	 <b>Masaaki Bito</b> (July 29, 1965, 56) < New appointment >	<p>April 1988 Joined Nissho Iwai Corporation</p> <p>July 2003 President, CoalinQ Corporation</p> <p>April 2009 Corporate Planning Department, Sojitz Corporation</p> <p>October 2010 General Manager, Coal Department, Coal &amp; Non-Ferrous Metals Unit, Energy &amp; Metal Division</p> <p>April 2016 COO, Metals &amp; Coal Division</p> <p>April 2018 Executive Officer, COO, Metals &amp; Mineral Resources Division</p> <p>April 2020 Managing Executive Officer, COO, Metals &amp; Mineral Resources Division</p> <p>April 2021 Managing Executive Officer, COO, Metals, Mineral Resources &amp; Recycling Division</p> <p>April 2022 Senior Managing Executive Officer (current position)</p> <p>[Current responsibilities] Executive Management of Business Group (Metals, Mineral Resources &amp; Recycling, Chemicals, Consumer Industry &amp; Agriculture Business, Retail &amp; Consumer Service)</p> <p>[Reasons for the nomination of the candidate for Director] After Masaaki Bito handled coal trading and the acquisition of upstream coal interests, by utilizing such knowledge, he has greatly contributed to the company's earnings while simultaneously advancing initiatives towards realizing a decarbonized society as Executive Officer and the Executive Management of Business Groups (Metals, Mineral Resources &amp; Recycling, Chemicals, Consumer Industry &amp; Agriculture Business, Retail &amp; Consumer Service). Additionally, he brings a high level of insight into corporate governance through his experience in the Corporate Planning Department and with Group companies. Sojitz has chosen Masaaki Bito as Director candidate predicated on its judgment that he will be able to play a role in the enhancement of Sojitz's corporate value.</p>	15,601  (Of which, the number of shares to be delivered under the share remuneration system: 6,841)



No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
5	 <b>Norio Otsuka</b> (July 5, 1950, 71)  <Reappointment> <Outside Director> <Independent Director>  Term of office as Director: 4 years (as of the conclusion of the Meeting)  Attendance at the Board of Directors meetings: 16/16 (100%)	<p>April 1973 Joined NSK Ltd.</p> <p>December 1999 Deputy Head of Corporate Strategy Division HQ</p> <p>April 2000 Vice President, Head of Corporate Strategy Division HQ</p> <p>June 2002 Director, Senior Vice President, Head of Corporate Strategy Division HQ</p> <p>June 2004 Director, Executive Vice President, Head of Corporate Strategy Division HQ</p> <p>June 2007 Director, Senior Executive Vice President, Head of Corporate Strategy Division HQ</p> <p>June 2009 Director, President and Chief Executive Officer (retired in June 2015)</p> <p>June 2015 Director, Chairperson of the Board of Directors</p> <p>June 2016 President, The Japan Bearing Industry Association</p> <p>March 2017 Outside Director, Showa Shell Sekiyu K. K.</p> <p>June 2017 Honorary Chairman, NSK Ltd.</p> <p>June 2018 Outside Director, Sojitz Corporation (current position)            Advisor, NSK Ltd. (current position)</p> <p>April 2019 Outside Director, Idemitsu Kosan Co., Ltd.</p> <p>June 2019 External Member of the Board, Taisei Corporation (current position)</p> <p>[Reasons for the nomination of the candidate for Outside Director and expected roles]            Norio Otsuka served as Director, President and Chief Executive Officer, and Chairperson of NSK Ltd., and has abundant experience and deep insight regarding management developed through promoting worldwide growth strategies and strengthening corporate governance. Since 2018, Norio Otsuka has played an appropriate role as Outside Director of Sojitz by supervising business execution as well as providing sound advice from a practical perspective, incorporating business management know-how from other industries. He has been exercising his leadership as the Chairman of the Board of Directors since 2020, and Sojitz has chosen him as Outside Director candidate in the expectation that he will further strengthen the supervisory function of the Board of Directors.</p> <p>[Significant concurrent occupations or positions at other organizations]            Advisor of NSK Ltd.            External Member of the Board of Taisei Corporation</p> <p>[Independence]            Norio Otsuka is a candidate for Outside Director pursuant to Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act of Japan. Norio Otsuka meets Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members" (please see page 28), and Sojitz believes that he has sufficient independence from Sojitz as Outside Director. For this reason, Sojitz has notified Tokyo Stock Exchange, Inc. of his appointment as Independent Director.            Supplementary information on independence is as follows:            · Transactions with NSK Ltd., at which he served as Director, President and Chief Executive Officer until June 2015, were less than 1% of revenue in Sojitz's consolidated financial statements and approximately 1.2% of consolidated sales of said company.</p>	0

No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
6	 <b>Naoko Saiki</b> (October 11, 1958, 63)  <Reappointment> <Outside Director> <Independent Director>  Term of office as Director: 2 years (as of the conclusion of the Meeting)  Attendance at the Board of Directors meetings: 16/16 (100%)	<p>April 1982 Joined the Ministry of Foreign Affairs</p> <p>June 2013 Director-General for Cultural Affairs, Ministry of Foreign Affairs</p> <p>July 2014 Director-General, Economic Affairs Bureau Councillor, Japanese Government's TPP Headquarters, Cabinet Secretariat</p> <p>October 2015 Director-General, International Legal Affairs Bureau</p> <p>July 2017 Director-General, Foreign Service Training Institute</p> <p>January 2019 Retired from the Ministry of Foreign Affairs</p> <p>May 2019 Corporate Advisor, Sojitz Corporation (retired in February 2020)</p> <p>April 2020 Visiting Professor, Graduate School of Public Policy, The University of Tokyo (retired in April 2022)</p> <p>June 2020 Outside Director, Sojitz Corporation (current position) Outside Audit &amp; Supervisory Board Member, Development Bank of Japan Inc. (current position)</p> <p>June 2021 Outside Director of Komatsu Ltd. (current position)</p> <p>[Reasons for the nomination of the candidate for Outside Director and expected roles] Naoko Saiki has had a career at the Ministry of Foreign Affairs in positions such as Director General of the Economic Affairs Bureau and Director General of the International Legal Affairs Bureau. In addition to her skills in economic negotiations, she has a high level of insight into international affairs, international law, economics, and culture. Based on her experience and insight from working at the forefront of diplomacy, she has provided pertinent advice to the Board of Directors of Sojitz from a wide range of perspectives, including international affairs, the environment and society, and human resource development. In addition, as Chairperson of the Nomination Committee, she has contributed to the creation of a system that contributes to the development and strengthening of management personnel. Sojitz has chosen her as Outside Director candidate in the expectation that she will continue to exercise appropriate supervisory function, considering the rapidly changing external environment, by leveraging her extensive experience.</p> <p>[Significant concurrent occupations or positions at other organizations] Outside Audit &amp; Supervisory Board Member of Development Bank of Japan Inc.</p> <p>Outside Director of Komatsu Ltd. External Director of Sankyu Inc. (scheduled to be appointed in June 2022)</p> <p>[Independence] Naoko Saiki is a candidate for Outside Director pursuant to Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act of Japan. Naoko Saiki meets Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members" (please see page 28), and Sojitz believes that she has sufficient independence from Sojitz as Outside Director. For this reason, Sojitz has notified Tokyo Stock Exchange, Inc. of her appointment as Independent Director.</p> <p>Supplementary information on independence is as follows:            · Sojitz had entered into a part-time advisory agreement with her for a period of ten months from May 2019 to February 2020, on the assumption that she would become an Outside Director of Sojitz, in order for her to gain an understanding of Sojitz's management situation and operations in advance and for Sojitz to obtain advice on management in general from an independent standpoint. Compensation as Corporate Advisor was paid as consideration for advice within the scope of the Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members."</p>	0

No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
7	 <p><b>Ungyong Shu</b> (October 19, 1962, 59)</p> <p>&lt;Reappointment&gt; &lt;Outside Director&gt; &lt;Independent Director&gt;</p> <p>Term of office as Director: 1 year (as of the conclusion of the Meeting)</p> <p>Attendance at the Board of Directors meetings: 12/12 (100%)</p>	<p>April 1986 Joined Morgan Guaranty Trust Company of New York, Tokyo Office</p> <p>May 2001 Managing Director, J.P. Morgan Securities</p> <p>July 2005 Head of Financial Institutions Division (retired in May 2007)</p> <p>May 2007 Chairman of Financial Institutions Group, Investment Banking Division, Merrill Lynch Japan Securities Limited</p> <p>July 2010 Co-Head of Investment Banking Division</p> <p>July 2011 Vice Chairman (retired in March 2013)</p> <p>November 2013 Representative Director, The Core Value Management, Inc. (current position)</p> <p>June 2015 Outside Director, The Dai-ichi Life Insurance Company, Limited</p> <p>October 2016 Outside Director (Audit and Supervisory Committee Member), Dai-ichi Life Holdings, Inc. (current position)</p> <p>June 2021 Outside Director, Sojitz Corporation (current position)</p> <p>[Reasons for the nomination of the candidate for Outside Director and expected roles] Ungyong Shu has held important positions at J.P. Morgan Securities and Merrill Lynch Japan Securities Limited. and has extensive knowledge of M&amp;A strategies and financial and capital policies, as well as extensive experience as a corporate manager at financial institutions and personal connections. As Sojitz implements strategic business investments for sustainable growth, he has provided accurate recommendations to the Board of Directors, taking advantage of his experience and expertise. Sojitz has chosen him as Outside Director candidate in the expectation that he will be able to exercise appropriate supervision over management from an independent and objective standpoint, and contribute to the further development and enhancement of the corporate value of the Group.</p> <p>[Significant concurrent occupations or positions at other organizations] Representative Director of The Core Value Management, Inc. Outside Director (Audit and Supervisory Committee Member) of Dai-ichi Life Holdings, Inc. Independent Director of Monex Group, Inc. (scheduled to be appointed in June 2022)</p> <p>[Independence] Ungyong Shu is a candidate for Outside Director pursuant to Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act of Japan. Ungyong Shu meets Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members" (please see page 28), and Sojitz believes that he has sufficient independence from Sojitz as Outside Director. For this reason, Sojitz has notified Tokyo Stock Exchange, Inc. of his appointment as Independent Director.</p>	0

No.	Name (Date of birth, age)	Career summary, position and responsibilities at Sojitz	Number of shares owned
8	 <b>Haruko Kokue</b> (January 17, 1959, 63)  < New appointment > < Outside Director > < Independent Director >	<p>April 1981 Joined Mitsui Petrochemical Industries (currently Mitsui Chemicals, Inc.)</p> <p>April 2006 General Manager, Mitsui Phenols Singapore Pte. Ltd.</p> <p>April 2011 General Manager, SCM Division, Mitsui Chemicals Inc.</p> <p>April 2013 Senior Director, General Manager, CSR Division</p> <p>April 2016 Senior Director, General Manager, Corporate Communications Division</p> <p>April 2020 Counselor (retired in March 2021)</p> <p>June 2020 Outside Director, Toppan Forms Co., Ltd. (current position)</p> <p>May 2021 Corporate Advisor, Sojitz Corporation (retired in January 2022)</p> <p>[Reasons for the nomination of the candidate for Outside Director and expected roles]            Haruko Kokue has extensive experience in supply chain management, public relations, investor relations, and international business management in Mitsui Chemicals Inc. Sojitz has chosen her as an Outside Director with the expectation that she will supervise management from an independent standpoint and objective perspective taking advantage of her dialogue with various stakeholders and high level of insight into supply chains, and contribute to raising Sojitz's corporate governance and corporate value.</p> <p>[Significant concurrent occupations or positions at other organizations]            Outside Director of Toppan Forms Co., Ltd.</p> <p>[Independence]            Haruko Kokue is a candidate for Outside Director pursuant to Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act of Japan. Haruko Kokue meets Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members" (please see page 28), and Sojitz believes that she has sufficient independence from Sojitz as Outside Director. For this reason, Sojitz will notify Tokyo Stock Exchange, Inc. of her appointment as Independent Director.</p> <p>Supplementary information on independence is as follows:</p> <ul style="list-style-type: none"> <li>· Transactions with Mitsui Chemicals Inc., at which she served as Counselor until March 2021, were less than 1% of revenue in Sojitz's consolidated financial statements and less than 1% of consolidated sales revenue of said company.</li> <li>· Sojitz had entered into a part-time advisory agreement with her for a period of nine months from May 2021 to January 2022, on the assumption that she would become an Outside Director of Sojitz, in order for her to gain an understanding of Sojitz's management situation and operations in advance and for Sojitz to obtain advice on management in general from an independent standpoint. Compensation as Advisor was paid as consideration for advice within the scope of the Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members."</li> </ul>	0

#### Proposal No. 4: Election of One (1) Audit & Supervisory Board Member

Among the five (5) current Audit & Supervisory Board Members, Kazunori Yagi will resign as Audit & Supervisory Board Member at the conclusion of this General Shareholders' Meeting. Accordingly, Sojitz proposes to elect one (1) new Audit & Supervisory Board Member.


The candidate for Audit & Supervisory Board Members is as follows. The submission of the proposal for the candidate's election as Audit & Supervisory Board Member to this General Shareholders' Meeting has been approved by the Audit & Supervisory Board.

Outside Audit & Supervisory Board Member candidate Junko Kamei meets the requirements for independent audit & supervisory board member set forth in the listing rules of the Tokyo Stock Exchange, Inc. on which Sojitz is listed, and she will be registered as Independent Audit & Supervisory Board Member if her election is approved.

The planned structure of the Audit & Supervisory Board is as follows if this proposal is approved as originally proposed.

Candidate	Name (age), gender	Current position at Sojitz	Term of office as Audit & Supervisory Board Member
	Masaaki Kushibiki (62), male < Current position>	Audit & Supervisory Board Member (Full-time)	2 years
	Takehiro Honda (65), male <Current position>	Audit & Supervisory Board Member (Full-time)	1 year
	Michiko Nagasawa (70), female <Current position> <Outside Audit & Supervisory Board Member> <Independent Audit & Supervisory Board Member>	Outside Audit & Supervisory Board Member	2 years
	Kazuhiro Yamamoto (69), male <Current position> <Outside Audit & Supervisory Board Member> <Independent Audit & Supervisory Board Member>	Outside Audit & Supervisory Board Member	1 year
○	Junko Kamei (60), female < New appointment > <Outside Audit & Supervisory Board Member> <Independent Audit & Supervisory Board Member>	—	—

- (Notes) 1. The age of the candidate is as of the day of the General Shareholders' Meeting.
2. There is no special interest between the candidate and Sojitz.
3. Sojitz has a limited liability agreement with Mr. Masaaki Kushibiki, Mr. Takehiro Honda, Ms. Michiko Nagasawa and Mr. Kazuhiro Yamamoto, limiting their liabilities to the higher of ¥10 million or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan, and plans to extend the above limited liability agreement with them. If this proposal is resolved, Sojitz plans to enter into a similar limited liability agreement with Ms. Junko Kamei.
4. Sojitz has concluded a Directors and Officers liability insurance contract with an insurance company, which covers the damages and litigation expenses incurred by the insured, Sojitz's Audit & Supervisory Board Members, in the event of a claim for damages arising from their actions (including omissions) in connection with their duties as our officers. Sojitz bears the full amount of insurance premiums. The Audit & Supervisory Board Member candidate will be covered as the insured under the insurance contract. Sojitz plans to renew the insurance contract during the term of office of the officers.

	Name (Date of birth, age)	Career summary and position	Number of shares owned
Candidate for Audit & Supervisory Board Member	 <b>Junko Kamei</b> (February 19, 1962, 60)  <New appointment> <Outside Audit & Supervisory Board Member> <Independent Audit & Supervisory Board Member>	<p>September 1986 Joined Showa Ota &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>March 1990 Registered as certified public accountant in Japan</p> <p>January 2000 Studied at Weatherhead School of Management in Ohio, USA</p> <p>November 2003 Joined Mitsubishi Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.) (retired in May 2006)</p> <p>October 2006 Partner, Financial Services Office, Shin Nihon &amp; Co. (currently Ernst &amp; Young ShinNihon LLC) (retired in June 2021)</p> <p>July 2021 Representative, Kamei CPA Office (current position)</p> <p>August 2021 Auditor, National Agency for Automobile and Land Transport Technology (current position)</p> <p>[Reasons for the nomination of the candidate for Outside Audit &amp; Supervisory Board Member]            As a certified accountant, Junko Kamei brings years of audit experience and expertise from her time at what is now Ernst &amp; Young ShinNihon LLC. Additionally, she has worked for a securities company and possesses financial and accounting knowledge from this background. Sojitz has chosen her as an Outside Audit &amp; Supervisory Board Member candidate predicated on its judgment that she will appropriately fulfill her duties as a member of the Audit &amp; Supervisory Board and supervise management, incorporating an external perspective.</p> <p>[Significant concurrent occupations or positions at other organizations]            External Director of Mitsubishi Kakoki Kaisha, Ltd. (scheduled to be appointed in June 2022)</p> <p>[Independence]            Junko Kamei is a candidate for Outside Audit &amp; Supervisory Board Member pursuant to Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act of Japan. Junko Kamei meets Sojitz's "Independence standards for Outside Directors and Outside Audit &amp; Supervisory Board Members" (please see page 28), and Sojitz believes that she has sufficient independence from Sojitz as Outside Audit &amp; Supervisory Board Member. For this reason, Sojitz will notify Tokyo Stock Exchange, Inc. of her appointment as Independent Audit &amp; Supervisory Board Member.</p> <p>Supplementary information on independence is as follows:            · She was employed by Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (then Mitsubishi Securities Co., Ltd.), the lead managing underwriter of Sojitz, from November 2003 to May 2006. However, 16 years have passed since her retirement, and she has not been involved in any transactions with Sojitz.</p>	0



(Reference)

**Standards Concerning the Appointment and Independence of  
Candidates for Outside Directors and Outside Audit & Supervisory Board Members**

**Standards concerning appointment of candidates for Outside Directors and Outside Audit & Supervisory Board Members**

Sojitz appoints Outside Directors from those with a wide range of knowledge and deep insight 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. In appointing Outside Audit & Supervisory Board Members, in addition to the above, Sojitz also ensures the diversity of the candidates' background from the perspective of reflecting the viewpoints of a variety of stakeholders in the audit of business activities.

**Independence standards for Outside Directors and Outside Audit & Supervisory Board Members**

Sojitz judges Outside Directors and Outside Audit & Supervisory Board Members to be independent by confirming that they do not fall under any of the following standards, 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 Directors or Audit & Supervisory Board (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 Sojitz's business personnel (limited to the person holding the position of officer or other important positions) or any of its consolidated subsidiaries
11. A person whose term of office as Outside Director or Outside Audit & Supervisory Board Member of Sojitz exceeds eight years
12. 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 Outside Director or Outside Audit & Supervisory Board Member

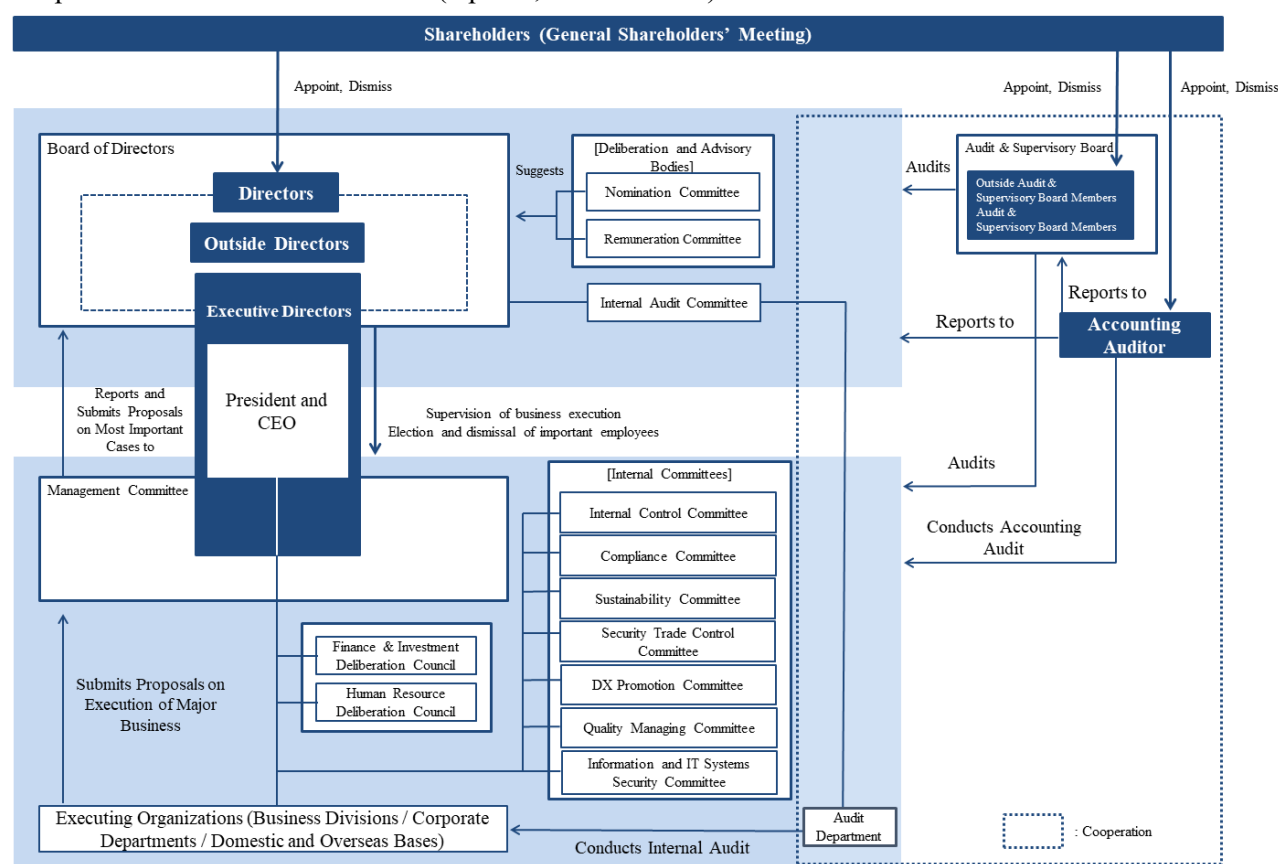
## (Reference) Corporate Governance Initiatives

### 1. Basic Concept

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 the “2030 Vision of Sojitz—a general trading company that constantly cultivates new businesses and human capital.”

In order to materialize these, 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.

### Corporate Governance Framework (April 1, 2022 onward)



### 1) Management and Operation Execution System

We employ an executive officer system for the purpose of clarifying authority and responsibilities and ensuring a smooth and swift execution of business through the separation of managerial 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 and executive officers is set at one year in order to facilitate swift and appropriate responses to rapid changes in the operating environment and clarify responsibilities related to management.

## **2) Monitoring and Supervisory Functions for Management**

We appoint multiple Outside Directors for the purpose of receiving appropriate advice and proposals on management of the Group from an outside, objective standpoint and to reinforce the supervisory function of the Board of Directors. In addition, we ensure appropriateness and transparency with regard to the resolutions made at meetings of the Board of Directors, appointment of Directors and remuneration by having Outside Directors serve as the Chairman of the Board of Directors and the chairpersons of its advisory bodies, the Nomination Committee and the Remuneration Committee.

We are a company with an Audit & Supervisory Board, which independently monitors and supervises the operations of the Group.

## **2. Company Institutions**

### **1) Board of Directors**

As the highest decision-making body, the Board of Directors reviews and resolves fundamental policies and 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 Outside Directors supervise the Executive Directors and overall system of business execution. They also provide opinions and advice on the corporate governance.

- **Policy for Appointing Directors and Composition of the Board of Directors**

In appointing candidates for Directors, we take into consideration the diversity such as gender, international experience or 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. Sojitz's Articles of Incorporation stipulate that the number of members of the Board of Directors shall be no more than ten. As of March 31, 2022, we have eight Directors (six male and two female), consisting of four In-house Directors who have abundant business experience at Sojitz and four Outside Directors who have objective specialist viewpoints and diverse knowledge.

- **Procedure for Appointing Directors**

In line with the policy above, 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 and resolves the candidate proposal for submission to the General Shareholders' Meeting for approval.

- **Matters Deliberated by the Board of Directors**

The Board of Directors reviews and resolves fundamental matters concerning management among the Group, involving management policy, business plans and important personnel, organizational and system related matters based on the internal rules of the Board of Directors in addition to laws, regulation and the Articles of Incorporation. It also reviews and resolves the important matters related business execution such as important investments and loans.

As for business execution other than these matters resolved by the Board of Directors, the President, the Chief Executive Officer, or the executing bodies reporting to the President & CEO; the Management Committee, the Finance & Investment Deliberation Council and the Human Resource Deliberation Council etc. review and approve matters depending on the contents, scale, importance and risks of each matter.

- **Support System for Directors**

The Board Meeting Operation Office has been established as an organization which is comprised of four full-time staff (as of March 31, 2022), who support the Directors by reporting to, providing information to, and communicating with Directors in a timely and appropriate manner.

- **Analysis/assessment of effectiveness of the Board of Directors**

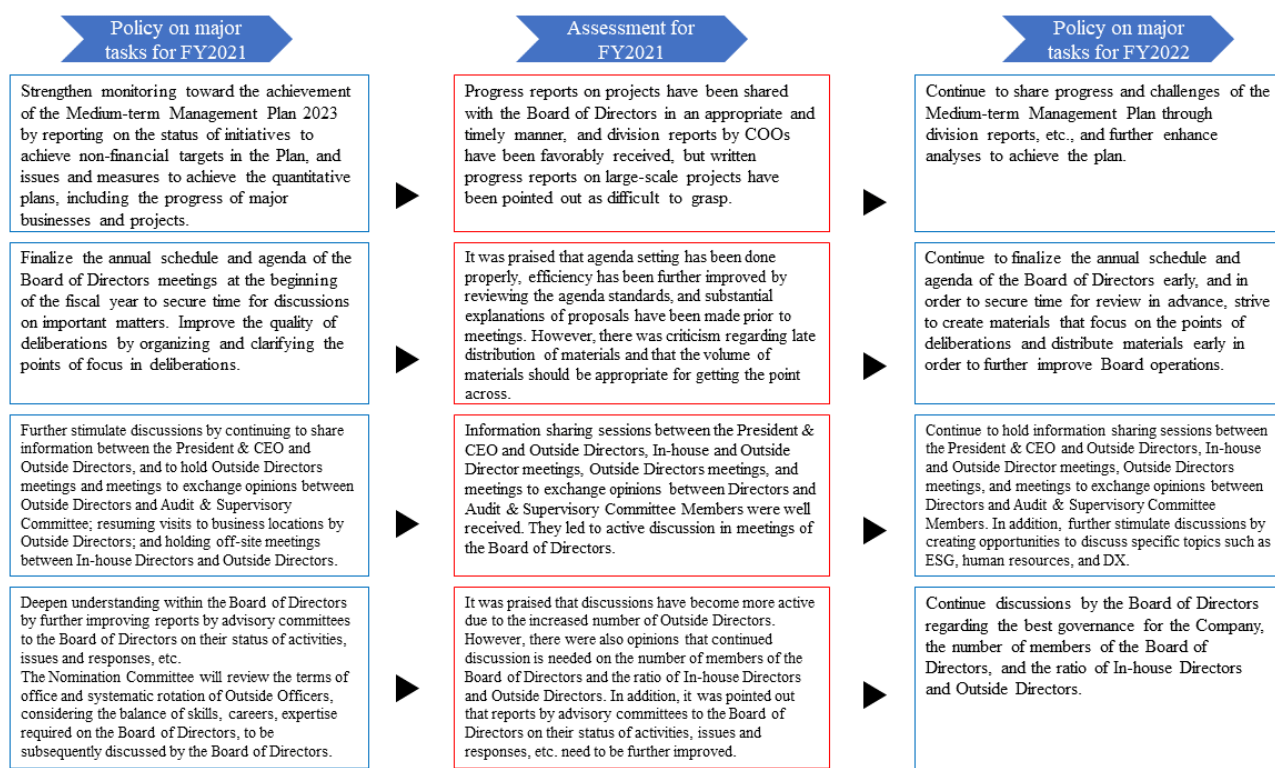
Each year, we analyze and assess the effectiveness of the Board of Directors as a whole in order to improve its functions.

The analysis and assessment method and their results for the FY2021, and the tasks ahead are as follows.

Analysis and Assessment Method	<ul style="list-style-type: none"> <li>- A written survey and an individual interview were conducted for all Directors and Audit &amp; Supervisory Board Members. The results of this survey were then assessed by a third party (an outside consultant).</li> <li>- The analysis and assessment outcome based on the results of the third-party assessment and individual interviews was reported to the Board of Directors for a discussion on tasks to be addressed.</li> </ul>
Survey Items	<ol style="list-style-type: none"> <li>1. Roles and responsibilities of the Board of Directors</li> <li>2. Composition of the Board of Directors</li> <li>3. Management of the Board of Directors</li> <li>4. Decision-making process of the Board of Directors</li> <li>5. Supervision by the Board of Directors</li> <li>6. Support system for the Board of Directors</li> <li>7. Nomination Committee and Remuneration Committee, which are advisory bodies to the Board of Directors</li> <li>8. Items concerning Outside Directors</li> <li>9. Suggestions for improving effectiveness, etc.</li> </ol>
Outline of Assessment Results	The aggregated survey results showed that the score on many questions exceeded the previous year, and the third-party assessment states that the effectiveness of the Board of Directors has remained at high standards. It is therefore confirmed that the Board of Directors is functioning effectively.
Excerpts from Third-Party Assessment Observations	<ul style="list-style-type: none"> <li>- Effectiveness of the Board of Directors has remained at high standards and scored higher than the previous fiscal year on many questions.</li> <li>- As for the debate on the medium- to long-term perspective, owing in part to debate on the medium-term management plan this year, awareness has been heightened in the Board of Directors, and high scores were received for following up on the execution status and results of proposals approved, reported, or deliberated by the Board of</li> </ul>

	<p>Directors. Another opinion was also endorsed, on the other hand, saying that there was room for improvement in the method and content of reporting as “the reality cannot be grasped” from written progress reports.</p> <ul style="list-style-type: none"><li>- The Board of Directors this year consists, following the additional appointment of one Outside Director, of four In-house Directors and four Outside Directors amounting to eight members, with greater representation by Outside Directors continuing from the previous fiscal year, thus enhanced diversity. On the other hand, there were opinions both within and outside the Company saying that more than half of the members should be Outside Directors. There were also voices calling for an increase in the number of members with experience in business management, a higher ratio of female members, the introduction of foreign members, and an increase in Outside Directors with experience in business management.</li><li>- Many timely topics were suggested for debate by the Board of Directors, including how trading companies should address ESG, SDGs, sustainability management, decarbonized society going forward. Therefore, it seems necessary to put more thought into setting discussion topics.</li></ul>
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Our policy on tasks we performed in FY2021, results of the assessment of the effectiveness of the Board of Directors for FY2021, and our policy on major tasks we will perform in FY2022 based on these results are as follows:



#### • Updates in Fiscal Year 2022

Upon the resolution of the General Shareholders' Meeting on June 17, 2022, the Board of Directors will be composed of eight Directors (six male and two female), four of whom are In-house Directors with abundant business experience at Sojitz and four who are Outside Directors with objective, specialist perspectives and diverse knowledge.

## 2) Audit & Supervisory Board

Audit & Supervisory Board Members are independent from the Board of Directors, and audit the Directors' execution of their duties based on laws and regulations, the Articles of Incorporation, internal regulations, and the Corporate Audit Standards established by the Audit & Supervisory Board. Audit & Supervisory Board Members attend important meetings related to the execution of business in addition to the meetings of the Board of Directors. Audit & Supervisory Board Members also monitor and supervise operations of business by interviewing Directors, reviewing documents related to important decisions, and other methods.

#### • Composition of the Audit & Supervisory Board

The Audit & Supervisory Board consists of five members (four males, one female), including two full-time Audit & Supervisory Board Members with abundant practical and management experience within Sojitz and its invested companies and three Outside Audit & Supervisory Board Members with objective perspectives and diverse expertise based on specialist knowledge. (As of March 31, 2022)

#### • Support System for Audit & Supervisory Board Members



The Audit & Supervisory Board Members' Office exists as a dedicated body to support the Audit & Supervisory Board Members, comprised of three full-time staff as of March 31, 2022. It provides information to, reports to, and communicates with Audit & Supervisory Board Members in a timely and appropriate manner.

### 3) 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*	Four Outside Directors and one In-house Director	Four Outside Directors and one In-house Director
	Naoko Saiki (Chairperson/Outside Director) Kayoko Naito (Outside Director) Norio Otsuka (Outside Director) Ungyong Shu (Outside Director) Masayoshi Fujimoto (Representative Director, President & CEO)	Kayoko Naito (Chairperson/Outside Director) Norio Otsuka (Outside Director) Naoko Saiki (Outside Director) Ungyong Shu (Outside Director) Masayoshi Fujimoto (Representative Director, President & CEO)

\* As of March 31, 2022

### 4) Policies on appointment and standards for independence of Outside Officers

Sojitz places importance on the independence of Outside Officers. Sojitz has formulated our own Independence Standards for Outside Officers, 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 Outside Officers meet these standards.

For the Standards Concerning the Appointment and Independence of Candidates for Outside Directors and Outside Audit & Supervisory Board Members, please refer to page 28.

### 5) Training policy for Directors and Audit & Supervisory Board Members

We take the following initiatives to enable Directors and Audit & Supervisory Board Members to appropriately fulfill their roles and responsibilities.

- We provide newly appointed Directors and Audit & Supervisory Board Members with opportunities for receiving programs such as lectures on the medium-term management plan, the internal control and risk management structure, and lectures by lawyers on legal duties and responsibilities of Directors and Audit & Supervisory Board Members.
- In order for Directors and Audit & Supervisory Board Members to deepen their understanding of our extensive business activities, each of the COO hold business and initiative briefing sessions, and in order for them 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 and Audit & Supervisory Board Members opportunities to attend seminars, etc. held by external organizations such as the Japan Association of Corporate Directors and the Japan Audit & Supervisory Board Members Association.



### 3. Business Executing Bodies

We have established the following executing bodies that directly report to the President, who is the Chief Executive Officer.

#### 1) Management Committee

The Committee is comprised of Executive Directors and Chief Operation Officers (COOs) of 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.

#### 2) Finance & Investment Deliberation Council

The Council is comprised of Executive Directors and corporate department supervisors. It discusses and resolves important investment and loan proposals from Group-wide viewpoints.

#### 3) Human Resource Deliberation Council

The Council is comprised of Executive Directors and corporate department supervisors, and discusses and resolves important issues pertaining to human resources from Group-wide viewpoints.

#### 4) Internal Committees

In order to enhance corporate value, we have established the following internal committees (as of March 31, 2022) that act as executing bodies under the direct supervision of the President & CEO to advance management initiatives that need to be handled across the organization. Each internal committee regularly reports on its activities to the Board of Directors and the Management Committee.

	Roles
Internal Control Committee	The Internal Control Committee formulates policies to maintain and improve our internal control system based on the Companies Act and the Financial Instruments and Exchange Act, and monitors this internal control system and its enforcement among the Group.
Compliance Committee	The Compliance Committee examines and formulates fundamental policies and measures to ensure compliance.
Sustainability Committee	The Sustainability Committee examines and formulates fundamental policies and measures related to promotion of Sustainability.
Security Trade Control Committee	The Security Trade Control Committee expedites responses to changing security trade control issues associated with Sojitz Group and establishes appropriate trade control systems.
DX Promotion Committee	The DX Promotion Committee monitors the overall picture of DX promotion aimed at increasing 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 resources, and operational processes by utilizing digitalization.
Quality Management Committee	The Quality Control 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.

In addition, we have established the Information Security Subcommittee as a subsidiary body of the internal committees. The Information Security Subcommittee has been reorganized as the Information and IT Systems Security Committee from April 1, 2022, in order to promote 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 increase corporate value, while grasping the locus and importance of risks that arise in business where digital data and IT are utilized in conjunction with the accelerated promotion of DX.

Furthermore, we have established the Business Continuity Management Working Group and the Disclosure Working Group, which discuss and review the practices and initiatives for specific themes from cross-organizational perspectives. We will continue to make necessary reviews and upgrade our corporate structure to build a system that contributes to increasing our corporate value.

#### **4. Corporate Audits, Accounting Audits and Internal Audits**

Audit & Supervisory Board Members, the Accounting Auditor and the Internal Audit Department boost the effectiveness of their respective audits by exchanging information to ensure their efforts are complementary and efficient.

##### **1) Audits by Audit & Supervisory Board Members**

Pursuant to the Corporate Audit Standards established by the Audit & Supervisory Board, Audit & Supervisory Board Members attend important meetings such as those of the Board of Directors, Management Committee and Finance & Investment Deliberation Council. In addition, based on audit plans and task assignments, Audit & Supervisory Board Members oversee and audit the operations of Sojitz Group by performing audits using means such as interviewing Directors and other members of senior management regarding business execution, reviewing important documents relevant to major business decisions, and checking business reports from subsidiaries.

Audit & Supervisory Board Members receive explanations about audit plans and regular audit reports from the Accounting Auditor, which they use to conduct effective audits and monitor the independence of the Accounting Auditor. They also receive audit plans and reports on the status of audits from the Internal Audit Department, and submit opinion statements on audit results. The Audit & Supervisory Board has thus established a system for ascertaining the status in a timely and appropriate fashion, based on cooperation with the Accounting Auditor and the Internal Audit Department.

In FY2021, Audit & Supervisory Board Members conducted audits while having sufficient communication with domestic and overseas subsidiaries amid the COVID-19 pandemic by conducting remote audits using web conferencing systems.

##### **2) Accounting Audits**

Sojitz has appointed the independent auditing firm KPMG AZSA LLC to conduct accounting audits in accordance with the Companies Act, as well as audits of financial statements, quarterly reviews and internal control audits in accordance with the Financial Instruments and Exchange Act. Their executive officers and assistant staff involved in audits for Sojitz in the fiscal year ended March 31, 2021, are as follows. Details on their years of service are omitted, as all of the certified public accountants (CPAs) who audited Sojitz have served for less than seven years.

(Designated Limited Liability Partners, Engagement Partners)

Hiroaki Sugiura, Ryohei Tomita, Daisuke Yamada

(Assistant staff working for our accounting audit)

24 CPAs and 23 assistant CPAs

### 3) Internal Audits

Based on an audit plan adopted by the Board of Directors and under the supervision of the Internal Audit Committee, the Internal Audit Department (comprising 30 people as of March 31, 2022) conducts audits covering the business divisions, corporate departments, and consolidated subsidiaries as follows.

- During the audit, the 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 Department submits an audit report to the Internal Audit Committee and the Audit & Supervisory Board Members after exchanging opinions at an audit review meeting for the audited organizations and the concerned parties (COOs of divisions with primary responsibility, COOs responsible for corporate departments and Audit & Supervisory Board Members). In addition, the Department holds an audit report meeting to provide an explanation to the Internal Audit Committee every month.
- 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.

### 5. Policies for Holding Listed Shares

#### <Policies for reducing cross-shareholdings (listed shares) under Medium-Term Management Plan 2023>

Under the Medium-Term Management Plan 2023, Sojitz decided to proceed further with reducing listed shares held as part of our shareholding policy. We intend to achieve a 50% reduction by the end of March 2024 based on the value of listed shares held on a consolidated basis as of December 31, 2020. In FY2021, we formulated a specific divestiture plan including timing and sold ¥14.7 billion worth of shares by March 31, 2022, of the holding worth ¥89.6 billion as of December 31, 2020. Due to new listings and acquisition of a subsidiary which hold listed shares conducted from January 2021 onward, as well as changes in the share prices of stocks held, the value of holdings as of March 31, 2022 was ¥113.1 billion.

#### <Policies for shareholdings>

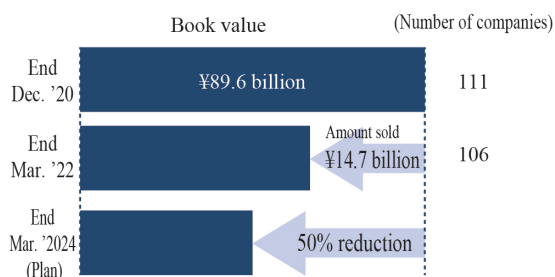
Each year, we conduct a quantitative assessment of each lot of listed shares held as cross-shareholdings as part of our shareholding policy to ensure that dividends or related profit earned from those shares exceeds the shares' equity cost (WACC). We also conduct a qualitative assessment, looking at whether the shares help improve our corporate value. Based on these assessments, we examine the value of retaining these shares. We retain those 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 now 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 conducts this assessment for each lot of shares held as cross-shareholdings.

#### <Exercise of voting rights>

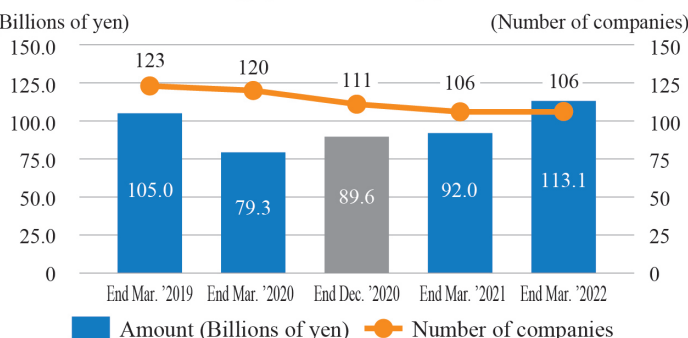
Based on the significance of holding shares of listed companies, we exercise our voting rights based on whether or not they contribute to sustainable growth and improved corporate value over the medium-to-long term for both Sojitz and the investment target. We also have a system of monitoring the status of exercise of voting rights.

(Note) Cross-shareholdings here refer not only to mutual shareholdings but also unilateral holdings.

### Cross-shareholdings Reduction Plan



### Cross-Shareholdings (Listed Shares) (Consolidated Basis)



### <Reference>

#### Ratio of Shares (Listed + Unlisted) Held for Other Investment Purposes Other Than Pure Investment to Total Consolidated Capital (Non-consolidated Basis)

	End Mar. '19	End Mar. '20	End Mar. '21	End Mar. '22	End Mar. '24
Book value of shares (listed + unlisted) held on a non-consolidated basis (Billions of yen)	105.1	82.5	95.7	118.7	
Total equity on a consolidated basis (Billions of yen)	661.6	621.9	654.7	763.9	
Ratio to total equity on a consolidated basis	16%	13%	15%	16%	Less than 10% (Plan)

## 6. Dialogue with Shareholders

Sojitz maintains a basic policy of engaging in constructive dialogue with shareholders. Sojitz continues to provide shareholders with appropriate and timely information on management policy and initiatives, as well as clear explanations using understandable words and logic to achieve sustained growth and increase corporate value over the medium-to-long term. Shareholders' opinions are then reported to the upper management and reflected in management decisions.

To ensure fair and appropriate disclosure of information to its stakeholders, including shareholders and investors, in accordance with the Fair Disclosure Rule, Sojitz has established and observed a set of internal regulations including the "Regulations to Prevent Insider Trading" and the "Information Disclosure Regulations" that stipulate fundamental policies for compliance with laws and regulations, transparency, timeliness, fairness, consistency and confidentiality, and ensure strict compliance by executive officers and employees.

- Providing information to shareholders

Sojitz's basic policy is to communicate information fairly and equally to all shareholders. Information regarding the Medium-Term Management Plan and financial results is publicized via TDnet or the Sojitz website immediately after resolution by the Board of Directors. In addition, to promote the understanding of its management philosophy, vision, business activities and business models, Sojitz has engaged in active disclosure of information amid the continuing impact of COVID-19, such as publishing Integrated Reports, holding business activities briefings and ESG briefings online, participating in briefings for individual shareholders, and distributing videos on the Sojitz website featuring the President & CEO's visit to Sojitz's operating companies.

- Initiatives with regard to the Ordinary General Shareholders' Meeting

The Notice of Ordinary General Shareholders' Meeting is posted on our website in Japanese and English around four weeks prior to the Ordinary General Shareholders' Meeting and is sent out by mail around three weeks prior to the meeting. In addition, the Notice of Ordinary General Shareholders' Meeting has become compatible with smartphones and tablets as well. Sojitz is also engaged in promoting dialogue with shareholders, while effectively preventing the spread of COVID-19 at the Ordinary General Shareholders' Meeting, through active measures including holding the Ordinary General Shareholders' Meeting at a different time from most other companies in Japan, using Internet voting system, participating in Electronic Voting Platform, which can be utilized by institutional investors in Japan and overseas, accepting questions in advance, distributing business briefing videos to shareholders in advance, and livestreaming of the Ordinary General Shareholders' Meeting.

- Systems and initiatives for dialogue with shareholders

Sojitz has established a system where Directors play an active role in dialogue with shareholders, with support from the Investor Relations Office as a dedicated body for this purpose.

Parties	Initiatives	Specific activities in the fiscal year ended March 31, 2022
Individual shareholders and individual investors	Explain Sojitz's management, human resource strategies, and performance trends through briefings and contents.	Online briefing for individual investors Participation in individual investor briefings held by IR support companies Distribution of videos on the Sojitz website featuring the President & CEO's visit to Sojitz's operating companies.
Institutional investors (Japan and overseas)	Ensure to provide opportunities for direct dialogue through various briefings and individual meetings, etc.	Online financial results briefings Online (hybrid) business activities briefings Online ESG briefings Individual meetings Meeting with Outside Directors Participation in conferences held by securities companies

In addition to the above, securities analysts and credit rating agency specialists attended online financial results briefings.



Online ESG briefing (August 2021)



Meeting between Outside Directors and institutional investors (November 2021)



Videos of visit to fast-growing tree production business (November 2021)



**(Attachment to the Notice of the 19th Ordinary General Shareholders' Meeting)**

**Business Report**

(From April 1, 2021 to March 31, 2022)

**1. Current circumstances of Sojitz Group**

**(1) Business activities**

Sojitz Group is engaged in a wide range of businesses on a global basis as a general trading company. Our main businesses are trading, import, and export of products, domestic and overseas manufacture and sale of a diverse array of products, provision of services in Japan and overseas, planning and organizing of various projects, investment in diversified business areas, and financial activities.

**(2) Review of progress and performance in operations**

In the year ended March 31, 2022 (FY2021), increasingly strong downward pressure was placed on the global economy by factors including Russia's military invasion of Ukraine and the economic sanctions placed on Russia in response to this act. At the same time, the operating environment was plagued by a myriad of factors requiring careful attention. Such factors included resumed increases in COVID-19 cases, soaring resource prices, supply restrictions and inflation resulted from supply chain disruptions, and rapid interest rate increases and yen depreciation triggered by the monetary tightening measures of the central banks of several countries.

In the United States, it has been decided that asset downsizing will be practiced in light of the interest rate hikes kicked off by the Federal Reserve Board in March 2022 and the quantitative tightening measures scheduled to start from June of this year. Moreover, the situation in Ukraine is expected to contribute to the prolongation of high inflation rates while prompting the United States to implement aggressive measures for combatting said inflation. Looking ahead, caution is needed with regard to the impacts on the U.S. economy from the rising burden of interest payments, whether this pertains to the public sector or the private sector.

In Europe, the European Central Bank is taking an unprecedentedly cautious stance in its response toward inflation. In addition, European countries are implementing increasingly harsh sanctions on Russia. At the same time, however, these countries are also highly dependent on crude oil and gas produced in Russia, a situation that is expected to have an adverse impact on the value chains of the manufacturing industry and a wide range of other industries.

China continues to implement lockdowns across the country in an effort to contain COVID-19. Meanwhile, there is a push to strengthen regulations on certain Chinese companies based on the goal of reducing income disparities. Such trends bring with them concern for downturns in investments. At the same time, careful attention is warranted with regard to the economic stimulus measures to be implemented in relation to infrastructure investments and tax breaks for small and medium-sized enterprises leading up to the meeting of the National Congress of the Chinese Communist Party scheduled for November 2022.

The Asian economy showed a recovery from the impacts of the COVID-19 pandemic, and this region is thus anticipated to see a GDP growth rate of around 5% in 2022. As COVID-19 vaccination progresses in Asian countries, it can be expected that the economies of these countries will be supported by the benefits of relaxed inbound travel restrictions, strong exports, and brisk recoveries in domestic demand. However, there is concern for the potential prolongation of inflation trends, currency depreciation, financing issues, and other repercussions of the situation in Ukraine.

In Japan, caution is required with regard to risks associated with a potential impact over the recovery of production and exports of major industrial products, such as the protracted supply chain disruptions. At the Bank of Japan Monetary Policy Meeting held in March 2022, it was decided that Japan would take a different path from other countries by continuing its prior monetary easing measures. Accordingly, there is concern that further yen depreciation may occur going forward due to the ongoing widening of the gap in interest rates between the United States and Japan as well as structural changes in the balance of Japan finances.

## Sojitz Group's assets, profits and losses

Sojitz Group's assets, profits and losses in FY2021 and the past three fiscal years are as outlined below.

(Note) Sojitz adopts the International Financial Reporting Standards (hereinafter referred to as "IFRS") in preparing the consolidated financial statements.

(Millions of yen, unless otherwise specified)

FY Item	FY2018 16th fiscal year	FY2019 17th fiscal year	FY2020 18th fiscal year	FY2021 19th fiscal year (fiscal year under review)
Revenue	1,856,190	1,754,825	1,602,485	<b>2,100,752</b>
Profit before tax	94,882	75,528	37,420	<b>117,295</b>
Profit for the year (attributable to owners of the Company)	70,419	60,821	27,001	<b>82,332</b>
Total comprehensive income for the year (attributable to owners of the Company)	50,938	(4,220)	59,111	<b>142,429</b>
Basic earnings per share (attributable to owners of the Company) (Note 2) (yen)	56.34	48.91	112.53	<b>352.65</b>
Total assets	2,297,059	2,230,285	2,300,115	<b>2,661,680</b>
Total equity attributable to owners of the Company	618,295	579,123	619,111	<b>728,012</b>
Total equity per share attributable to owners of the Company (Note 2) (yen)	494.94	474.97	2,581.58	<b>3,153.90</b>
Return on Assets (ROA) (%)	3.0	2.7	1.2	<b>3.3</b>
Return on Equity (ROE) (Note 3) (%)	11.7	10.2	4.5	<b>12.2</b>
Equity Ratio (Note 4) (%)	26.9	26.0	26.9	<b>27.4</b>
Net DER (times)	0.95	1.06	0.99	<b>1.06</b>
Consolidated payout ratio (%)	30.2	34.8	44.4	<b>30.1</b>

- (Note) 1. Figures are rounded down to the nearest million yen.  
2. The Company conducted a one-for-five share consolidation of shares of common stock effective October 1, 2021. Figures for basic earnings per share (attributable to owners of the Company) and total equity per share attributable to owners of the Company are calculated based on the assumption that this stock consolidation was conducted with an effective date of April 1, 2020.  
3. ROE is return on total equity attributable to owners of the Company.  
4. Equity ratio is the ratio of total equity attributable to owners of the Company.



## Sojitz Group Performance

Sojitz Corporation's consolidated business results for the year ended March 31, 2022 are presented below.

Revenue	Revenue was up 31.1% year on year, to ¥2,100,752 million, due to higher revenue in the Metals, Mineral Resources & Recycling Division, a result of; in the Chemicals Division, a result of higher methanol prices and growth in plastic resin transactions; and in the Automotive Division, a result of increased sales volumes in overseas automotive businesses.
Gross profit	Gross profit was up ¥83,199 million year on year to ¥271,319 million, due to higher revenue in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Chemicals Division, a result of higher methanol prices and growth in plastic resin transactions; and in the Automotive Division, a result of increased sales volumes in overseas automotive businesses.
Profit before tax	Profit before tax was up ¥79,875 million year on year, to ¥117,295 million, as a result of increases in gross profit and share of profit of investments accounted for using the equity method.
Profit for the year	After deducting income tax expenses of ¥31,824 million from profit before tax of ¥117,295 million, profit for the year amounted to ¥85,471 million, up ¥56,054 million year on year. Profit for the year (attributable to owners of the Company) increased ¥55,331 million year on year, to ¥82,332 million.
Comprehensive income for the year	Comprehensive income for the year of ¥148,588 million was recorded, up ¥85,621 million year on year, following an increase in financial assets at fair value through other comprehensive income along with more beneficial foreign currency translation differences for foreign operations. Comprehensive income for the year (attributable to owners of the Company) was ¥142,429 million, an increase of ¥83,318 million.

## Sojitz Group's business segment

Sojitz Group's operating performance, overview of business conditions, and growth strategy by business segment are as follows.

Effective April 1, 2021, the Machinery & Medical Infrastructure Division, Energy & Social Infrastructure Division, and part of the Industrial Infrastructure & Urban Development Division were reorganized into the Infrastructure & Healthcare Division. The Foods & Agriculture Business Division, Retail & Lifestyle Business Division, and part of the Industrial Infrastructure & Urban Development Division were reorganized into the Consumer Industry & Agriculture Business Division and the Retail & Consumer Service Division. The Metals & Mineral Resources Division was renamed the Metals, Mineral Resources & Recycling Division. In addition, the car and motorcycle parts, ship equipment, industrial machinery, forefront industry business, bearing, and nuclear power-related equipment businesses previously included in the Automotive Division, the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division were transferred to the Others segment.

(Hereinafter, profit for the year refers to profit attributable to owners of the Company.)

### Automotive Division

#### Business description

- Distributorships
- Dealerships
- Auto-financing
- Service (quality inspection services, etc.)  
etc.

#### Operating performance

Revenue was up 35.1% year on year to ¥243,051 million, due to higher sales volumes in overseas automobile transactions. Profit for the year rose by ¥5,989 million, to ¥7,083 million, as a result of an increase in gross profit.

#### Growth strategy

With automotive assembly and wholesale and retail sales as its core businesses, the Automotive Division develops its operations in growing markets, such as Asia and Latin America, as well as in mature markets, such as Japan and the United States. The division is expanding the scope of its operations in promising markets and working to increase business value through enhancement of local-based sales & marketing capabilities and after-sales services and the strengthening of functions through utilization of digital technologies. In addition, the division is actively enhancing its auto-financing business while developing automotive-related services that meet the needs of the changing times to contribute to a prosperous mobility society.

## Aerospace & Transportation Project Division

### Business description

- Aircraft sales agencies (commercial aircraft, defense systems)
- Aircraft leasing
- Part-out of retired and aging aircraft
- Business jet services
- Airport management
- Transportation infrastructure, North American railways
- Marine vessels
- In-flight catering
- etc.

### Operating performance

Revenue was up 175.7% year on year to ¥70,020 million, due to the acquisition of higher revenue in aircraft transactions and recovery of shipping market conditions. Profit for the year increased by ¥2,847 million to ¥4,687 million, as a result of an increase in gross profit.

### Growth strategy

In addition to efforts to build upon the global partnership with Boeing, the Aerospace & Transportation Project Division is strengthening aircraft-related businesses, such as business jet services and in-flight catering and is pursuing expansion of earnings of the airport management business. The division is also engaged in the North American railways business, transportation infrastructure business in emerging-market countries, and marine vessels business. The division will create solutions integrating people and things moving from and to airports and ports. At the same time, the division will vigorously apply “co-creation and sharing” in business with external partners to enhance value.

## Infrastructure & Healthcare Division

### Business description

- Renewable energy
- Gas-fired thermal power generation
- Gas-related business
- Telecommunications infrastructure
- Urban infrastructure and industrial park businesses
- Healthcare
- etc.

#### Operating performance

Revenue was down 0.9% year on year to ¥61,794 million, despite an increase in revenue at gas sales company due to decrease in revenue from overseas fired power project. Profit for the year decreased ¥1,596 million to ¥6,624 million, despite an increase in share of profit of investments accounted for using the equity method, as loss on reorganization of subsidiaries / associates of overseas telecommunication infrastructure business was recorded and gross profit decreased.

#### Growth strategy

By combining Sojitz's unique functions and ideas, the Infrastructure & Healthcare Division provides new solutions to create value. Specific areas of operation include energy, telecommunications, urban infrastructure, and healthcare. Businesses are developed in response to global social issues, including the rising demand for infrastructure and healthcare due to economic growth in emerging countries, climate change, digitalization, and the diversification of values.

### Metals, Mineral Resources & Recycling Division

#### Business description

- Metal resources
- Metal products
- Circular economy
- etc.

#### Operating performance

Revenue was up 57.3% year on year to ¥560,460 million, due to higher prices for coal and precious metals. Profit for the year increased by ¥35,829 million to ¥34,068 million, as a result of an increase in gross profit as well as an increase in share of profit of investments accounted for using the equity method associated with higher profit of steel operating company.

#### Growth strategy

In addition to upstream investment and trading in metal resources and ferrous materials, the Metals, Mineral Resources & Recycling Division has made a full-scale entry into the circular economy field, which includes recycling businesses, and this division is working to create and promote new businesses that respond to social needs. As well as promoting reform of resource-related businesses, the division will develop a business structure that is resilient to market fluctuations by focusing on the theme of recycling businesses that contribute to a resource-conserving, recycling-oriented society.

## Chemicals Division

### Business description

- Chemical products
- Methanol
- Rare earths
- Plastic resins
- Environment and life science
- Recycling
- etc.

### Operating performance

Revenue was up 32.3% year on year, to ¥538,299 million, due to growth in plastic resin transactions and higher methanol prices. Profit for the year increased by ¥6,861 million to ¥12,630 million, as a result of an increase in gross profit.

### Growth strategy

The Chemicals Division conducts a wide variety of trading and businesses, ranging from methanol and other basic chemical products, to functional materials focusing on plastic resins as well as inorganic chemical products like industrial salts and rare earths. The division is also developing new environmental business. While growing businesses in which the division has strengths, it will step up initiatives to realize a carbon-free, recycling-oriented society, expanding excellent business assets.

## Consumer Industry & Agriculture Business Division

### Business description

- Fertilizer production and sales
- Forest products (plywood, building materials)
- Household paper and industrial paper products
- etc.

### Operating performance

Revenue was up 23.7% year on year, to ¥291,755 million, due to higher prices in lumber transactions and overseas fertilizer businesses. Profit for the year increased by ¥1,782 million to ¥6,385 million, as a result of an increase in gross profit.

### Growth strategy

With a focus on sustainable consumption and production, the Consumer Industry & Agriculture Business Division is strengthening existing businesses in the areas of agribusiness, food, feeds and livestock, and forest resources in Southeast Asia and other rapidly growing regions and is also working to expand peripheral businesses. Based on the theme of creating value by addressing social issues in developed countries, the division is also engaged in regional revitalization in Japan and is expanding excellent business assets.

## Retail & Consumer Service Division

### Business description

- Food distribution (production, wholesale, distribution, retail)
- Aquaculture processing and wholesale
- Shopping center management, retail platforms
- Domestic real estate, J-REIT operation
- Brand and consumer products
- etc.

### Operating performance

Revenue was up 8.0% year on year to ¥214,586 million, due to higher sales prices in meat transaction. Profit for the year increased by ¥131 million to ¥5,040 million, due to an increase in gross profit despite other income was down due to absence of gains from sale of shopping mall recorded in the previous equivalent period.

### Growth strategy

The Retail & Consumer Service Division is engaged in a diverse range of businesses that respond to consumer needs both in Japan and overseas, including food and consumer products distribution, shopping center management, and real estate. While reforming existing business models in emerging-market countries with high growth potential, such as Vietnam and India, the division seeks to create new businesses that will enrich and bring convenience to people's lives. By strengthening businesses in the domestic retail field, the division aims to diversify sources of revenue and achieve sustainable growth.

### **(3) Financial Position**

#### Consolidated Balance Sheet

Total assets on March 31, 2022, were ¥2,661,680 million, up ¥361,565 million from March 31, 2021, following the increase in trade and other receivables under current assets associated with chemicals and building materials, and an increase in investments accounted for using the equity method following new acquisition.

Total liabilities on March 31, 2022, amounted to ¥1,897,802 million, up ¥252,326 million from March 31, 2021, as results of an increase in trade and other payables under current liabilities associated with chemicals and building materials and an increase in interest-bearing debt attributable to new borrowings.

Total equity attributable to owners of the Company was ¥728,012 million on March 31, 2022, up ¥108,901 million from March 31, 2021. This increase was due to the accumulation of profit for the year (attributable to owners of the Company), and an increase in other components of equity resulted primarily from foreign exchange rate and stock price fluctuations.

Consequently, on March 31, 2022, the current ratio was 155.3%, the long-term debt ratio was 78.0%, and the equity ratio was 27.4%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥770,291 million on March 31, 2022, ¥159,613 million increase from March 31, 2021. This resulted in the Company's net debt equity ratio\* equaling 1.06 times at March 31, 2022.

(\*) The equity ratio and net debt equity ratio are calculated based on total equity attributable to owners of the Company. Lease liabilities have been excluded from aforementioned total interest-bearing debt.

### **(4) Consolidated Cash Flows**

In the year ended March 31, 2022, operating activities provided net cash flow of ¥65,084 million, investing activities used net cash of ¥138,819 million, and financing activities provided net cash of ¥46,898 million. Sojitz ended the year with cash and cash equivalents of ¥271,651 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

#### **(Cash flows from operating activities)**

Net cash provided by operating activities amounted to ¥65,084 million, consisted of business earnings and dividends received, etc. It was down ¥19,888 million year on year.

#### **(Cash flows from investing activities)**

Net cash used in investing activities totaled ¥138,819 million, up ¥103,143 million year on year, as a result of aircraft transactions and investment for energy conservation business in the U.S. and processed marine products company.

#### **(Cash flows from financing activities)**

Net cash provided by financing activities amounted to ¥46,898 million, up ¥87,519 million year on year. This outcome was primarily a result of proceeds from borrowings, which offset outflows for dividends paid and acquisition of treasury stock.

## (5) Funding, etc.

Under Medium-Term Management Plan 2023, the Sojitz Group continues to advance financial strategies in accordance with the basic policy of maintaining and enhancing the stability of its capital structure. In addition, Sojitz has endeavored to maintain a stable financial foundation by holding sufficient liquidity as a buffer against changes in the economic or financial environment and by keeping the long-term debt ratio at a certain level.

As one source of long-term funding, Sojitz issued ¥10 billion straight bonds in May 2021. Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional issues whenever the timing and associated costs prove advantageous.

As supplemental sources of procurement flexibility and precautionary liquidity, Sojitz maintains a ¥100 billion long-term commitment line (which remains unused) and a long-term commitment line totaling US\$2.025 billion (of which US\$1.42 billion has been used). The amount of the U.S. dollar-denominated commitment line was increased by US\$0.225 billion in the year ended March 31, 2022.

## (6) Major creditors and borrowed amounts (As of March 31, 2022)

(Billions of yen)

Creditor	Amount outstanding
MUFG Bank, Ltd.	255.2
Mizuho Bank, Ltd. (Note 3)	83.0
Development Bank of Japan Inc. (Note 3)	53.2
Sumitomo Mitsui Trust Bank, Limited (Note 3)	50.5
The Norinchukin Bank	44.0
Resona Bank, Limited (Note 3)	32.0
Sumitomo Mitsui Banking Corporation (Note 3)	30.0
Nippon Life Insurance Company	28.3
Shinkin Central Bank	22.5
JA HYOGO SHINREN	10.5

- (Notes) 1. Amounts are rounded down to the first decimal place.  
 2. The above amounts are on a non-consolidated basis.  
 3. Sojitz accepts that these loans may be assigned in part or in whole upon request by the lender.



## (7) Business outlook and issues to be addressed

### Management Policy

Based on the articles of Sojitz Group Statement and the Sojitz Group Slogan, the Sojitz Group is committed to materializing and maximizing two types of value: “value for Sojitz,” which contributes to the fortification of our business foundation and to ongoing growth, and “value for society,” which contributes to economic development on regional and national scales and to human rights and environmental awareness.

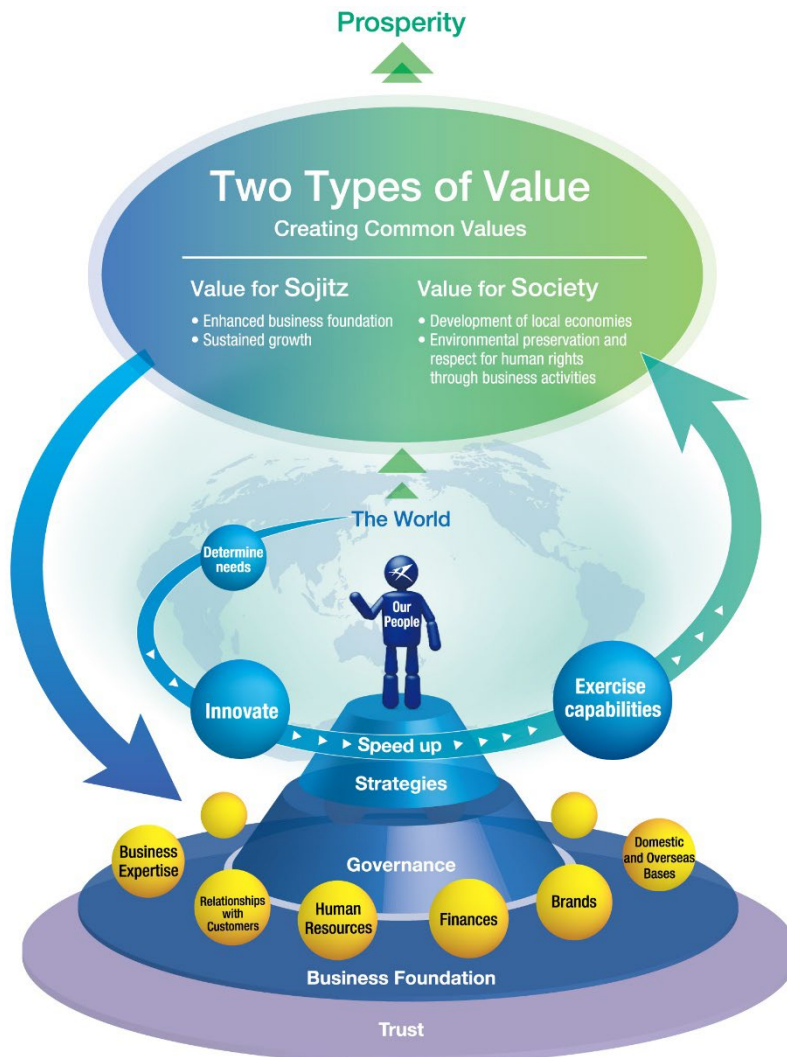
### Sojitz Group Statement

The Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity.

### Sojitz Group Slogan

***New way, New value***

### Sojitz’s Value Creation Model



### Medium-Term Management Plan 2023

Under Medium-Term Management Plan 2023 ~ Start of the Next Decade ~, Sojitz has defined its vision for 2030 as becoming a general trading company that constantly cultivates new businesses and human capital. Regarding our mission as a general trading company of delivering goods and services where necessary, Sojitz will continue to create value by pursuing higher levels of competitiveness and growth through an intensely market-oriented initiative, internal and external exchanges and co-creation, and strive for speed while transforming organizations and human resources as necessary.

#### Corporate Statement :

The Sojitz Group creates value and prosperity by connecting the world with a spirit of integrity.



A target of management indicator under Medium-Term Management Plan 2023 is as below.

Increased shareholder value (three-year avg.)		Growth and financial discipline	
ROE	10% or above	Investments	¥330.0 billion (including ¥30.0 billion of non-financial investment)
Profit for the year	Approx. ¥65.0 billion	Core cash flow**2	Positive over MTP2020 through MTP2023 cumulative total
Core operating cash flow*1	Approx. ¥80.0 billion	Net DER	Approx. 1.0 times
Consolidated payout ratio	Approx. 30% Lower limit for dividends set	ROA	3% or above (final year of MTP2023)
PBR 1.0 times or above			

\*1 Core operating cash flow = Cash flow after deducting changes in working capital from operating cash flow calculated for accounting purposes

\*2 Core cash flow = Core operating cash flow + Investing cash flow (including asset replacement) – Dividends paid – Purchase of treasury stock

ROE target of 10% or more has been set for this management indicator based on the Company's shareholders' equity costs of approximately 8%. Cash return on invested capital (CROIC), which represents the core operating cash flow generated from invested capital, has been adopted as an internal management indicator to guide efforts for accomplishing this target, and segment CROIC targets have been set to function as value creation guideline figures.

Sojitz is pursuing growth through new investments of substantive scale backed by strategies in the following focus areas together with drastic profit structure reforms in existing businesses. Medium-Term Management Plan 2023 calls for the steady improvement of corporate value through the execution of investments in growth fields and new fields, to be identified based on megatrends, totaling ¥330.0 billion over the three-year period of the plan (¥30.0 billion of which is to be directed toward non-financial investments in human resources and organizational reforms). These investments shall be conducted while practicing continued discipline in cash flow management.



In addition to paying stable dividends to shareholders on an ongoing basis, Sojitz is also committed to enhancing shareholder value by accumulating and effectively utilizing retained earnings. This endeavor has been positioned as a basic policy. In accordance with this basic policy, the Company is targeting a consolidated payout ratio of around 30% under the Medium-Term Management Plan 2023.

Lower limit for dividends is set as representing market price-based DOE of 4% until PBR reaches 1.0 time and book value-based DOE of 4% after PBR reaches 1.0 time.

In other words, we are committed to paying effective dividend yield of 4% while PBR is below 1.0 time, and will pay dividends equivalent to half of our capital cost of approximately 8%, which we calculate when PBR reaches 1.0 time.

For more information on Medium-Term Management Plan 2023, please refer to the link below.  
<https://www.sojitz.com/en/>

### **Initiatives in the year ended March 31, 2022**

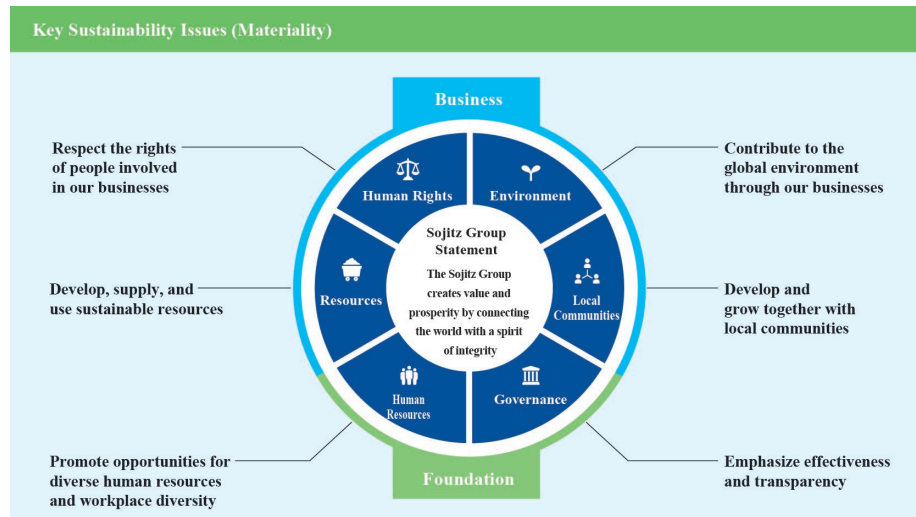
In the year ended March 31, 2022, the first year of Medium-Term Management Plan 2023, Sojitz posted performance surpassing its initially disclosed plan and forecasts revised during the period, with profit for the year of ¥82.3 billion and return on equity of 12.2%. Factors behind this strong performance included increased earnings in the Metals, Mineral Resources & Recycling Division, a result of higher prices of coal and other resources, as well as earnings contributions from new investments conducted after the Medium-Term Management Plan 2017. In addition, a total of ¥150.0 billion worth of new investments was conducted in U.S. energy service business companies, an African gas retailing company, aquaculture product processing company, and tender offer for shares of JALUX Inc. As for existing businesses, we undertook the structural reformation of real estate business together with partners.

Meanwhile, the operating environment presented a need for value creation initiatives. Amid the great and persisting volatility produced by factors such as Russia's invasion of Ukraine and other geopolitical risks, Sojitz seeks to appropriately manage risks associated with diverse changes and position them as opportunities. Going forward, Sojitz will continue to pursue higher levels of competitiveness and business growth by adopting local market-oriented initiatives, collaborating proactively (co-creation and sharing in and outside Sojitz), and striving for speed while implementing initiatives for realizing its vision for 2030. At the same time, we will continue to implement the necessary organizational reforms and the development of high-value-added human resources to grow and create value on an ongoing basis. Sojitz will step up efforts in dialogues and dissemination of information on these initiatives internally and externally to foster a sense of anticipation regarding Sojitz's growth while pursuing the goal of a price book-value ratio of 1.0 time or above.

## Initiatives for Sustainable Growth

### 1) Sustainability Initiative

To continue creating two types of value in the future, the Sojitz Group has defined 6 Key Sustainability Issues (Materiality) to focus on in its business over the medium to long term. Based on these issues, we are striving to integrate solutions to environmental and social issues on a global scale with our corporate activities and build systems for such integration. Medium-Term Management Plan 2023 defines growth strategies entailing concentrated allocation of management resources on growth markets in which Sojitz can secure a competitive edge from a long-term perspective. These strategies are to be predicated on sustainability as we work toward the vision we have put forth for 2030.



Sustainability Challenge has been formulated as a long-term vision for 2050 to reflect our strategy, based on the recognition that Sojitz is obligated to help achieve a decarbonized society and to promote respect for human rights, including across our supply chains, out of consideration of global issues such as those described by the Paris Agreement and the United Nations Sustainable Development Goals.

### Long-term vision for 2050, the “Sustainability Challenge”

We will strive to create sustainable growth for both Sojitz and society by working to help achieve a decarbonized society through our business activities, and by responding to human rights issues, including those within our supply chains.

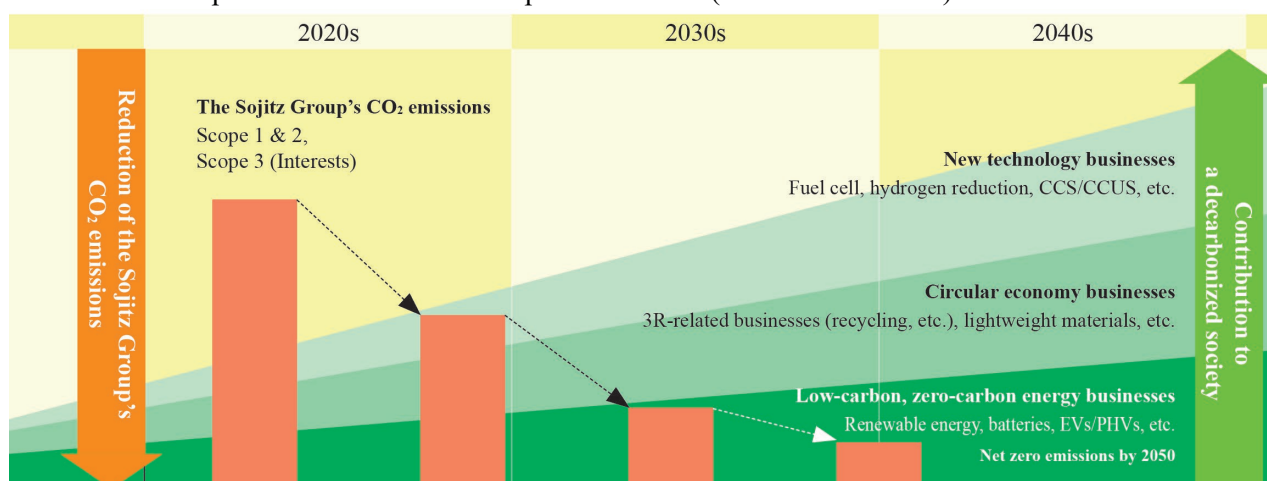
We will pursue effective sustainability through flexible responses based on the changes in the social environment and the demands of the era in order to achieve this vision.



## ● Sustainability Challenge - Decarbonization Initiatives

The Sojitz Group is working to help achieve a decarbonized society through its business activities by accelerating initiatives for reducing its own CO<sub>2</sub> emissions while raising its resilience in preparation for the upcoming decarbonized society. We believe that the transition to a decarbonized society represents an opportunity that we can capitalize on in order to develop businesses in a wide range of fields.

In March 2021, Sojitz defined decarbonization policies along with concrete targets to guide it in realizing the ideals encapsulated in its Sustainability Challenge. Various measures are being enacted in accordance with these policies under Medium-Term Management Plan 2023 as we also seek to measure and track reductions in Scope 3 emissions and in Scope 4 emissions (avoided emissions).



## The Sojitz Group's Decarbonization Policies and Targets and Progress Toward Targets

The Sojitz Group recognizes its obligation to reduce Scope 1 and Scope 2 emissions while curtailing fossil resource interest businesses. Moreover, the Group tracks all Scope 3 emissions and performs quantitative assessments of power generation and other high-CO<sub>2</sub>-emission sectors in order to maintain an understanding of the decarbonization risks faced across its value chain. Scope 4 emissions will also be measured and the Group will accelerate initiatives for positioning the decarbonization trend as a business opportunity.

	<Target>	<Progress>
Existing businesses	<b>Scope 1/2</b> Reduce emissions by 60% by 2030; achieve net zero emissions by 2050*1 (Net zero emissions by 2030 for Scope 2*1) Note: Coal-fired power generation: No current projects nor future projects planned	Confirmation of measures and timetables with high-emissions Group companies and commencement of partial renewable energy introduction to accomplish targets by 2030
	<b>Scope 3</b> < Natural Resource Interests reduction target > Thermal coal interests : Reduce interests to half or less by 2025, Zero interests by 2030*2 Oil interests : Zero interests by 2030 Coking coal interests : Zero interests by 2050	Target of halving thermal coal interests by 2025 accomplished ahead of schedule Qualitative assessment of Groupwide Scope 3 emissions and commencement of quantitative measurements beginning with power generation sector, which has high CO <sub>2</sub> emissions and a large impact on Sojitz's business
New businesses	Formulation of business-specific decarbonization policies and net zero emissions by 2050	
Contributions to a decarbonized society	■ Expansion of relevant businesses and initiatives framing situation as an opportunity ■ Measurement of contributions to reductions in society's CO <sub>2</sub> emissions (Scope 4) and advancement of related business activities	Commencement of Scope 4 measurements for renewable energy, energy conservation, and other power generation sector businesses

\*1 FY2019 serves as the base year, with non-consolidated and consolidated subsidiaries included in the scope. Introduction of internal carbon pricing is under consideration, which accelerates carbon offsets from certificates.

- \*2 The end of FY2018 serves as the benchmark, and targets are based on the book value of assets in coal interests.

Furthermore, Sojitz declared its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures in 2018, and we have been conducting more proactive and transparent disclosure based on the recommended framework while practicing engagement with stakeholders since.

For more information on Sojitz's initiatives based on the recommendations of the Task Force on Climate-related Financial Disclosures, please refer to the following website.

<https://www.sojitz.com/en/csr/environment/tcfd/>



# ● Sustainability Challenge – Supply Chain Human Rights Initiatives

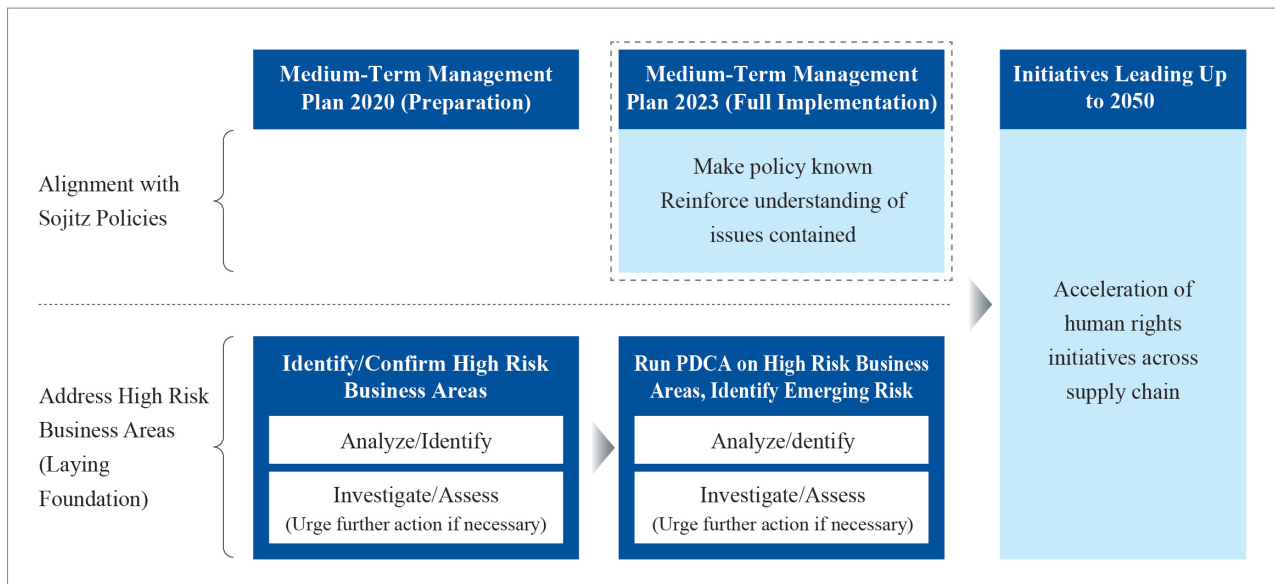
As a general trading company developing businesses around the world, Sojitz is involved in a wide variety of supply chains. Accordingly, we are actively tracking and mitigating environmental and human rights risks to ensure respect for human rights across our value chain. In this regard, the Sojitz Group supports the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We are promoting our initiatives in accordance with the UN Guiding Principles on Business and Human Rights.

<Human rights support framework as defined by the UN Guiding Principles on Business and Human Rights>



## [Initiatives]

Under Medium-Term Management Plan 2020, circumstances related to general high-risk environmental and human rights areas were first identified and the status of risk response measures was confirmed. The foundations formed through these activities will be further solidified under Medium-Term Management Plan 2023 as we disseminate and entrench understanding of the Sojitz Group’s policies and issues.



### Establishment and Sharing of Policies

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 our suppliers and Group companies and ask them to adhere to the following principles.

#### **Sojitz Group CSR Action Guidelines for Supply Chains**

1. Respect for the human rights of employees, and treatment of employees in a humane manner.
2. Prevention of forced labor, child labor, and the observance of appropriate labor hours and minimum wage.
3. Non-discrimination in hiring and employment.
4. Respect for employees' freedom of association and the right to collective bargaining to ensure constructive negotiations between labor and management.
5. Provision of a safe, sanitary and healthy work environment for employees.
6. Observance of all relevant laws and regulations, ensuring fair transactions and prevention of corruption.
7. Ensuring the quality and safety of products and services.
8. Consideration for ecosystems, the environment, and environmental conservation within our business activities, as well as efforts to prevent environmental pollution.
9. Timely and appropriate disclosure of information regarding the above items.

#### **Response to Serious Violations of Guidelines**

Should a supplier, business partner, or other stakeholder be found to be in violation of the Sojitz Group CSR Action Guidelines for Supply Chains, improvements will be requested, and transactions may be discontinued if improvements are not seen.

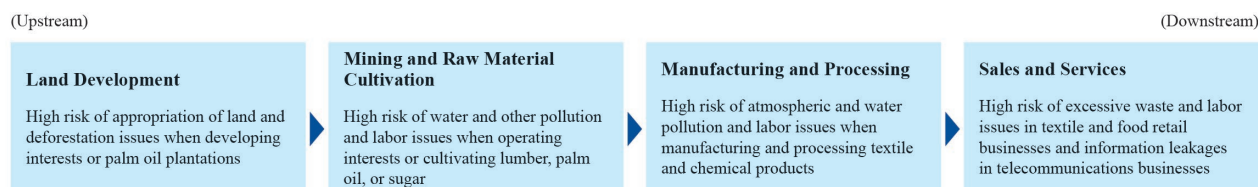
For more information on the Sojitz Group CSR Action Guidelines for Supply Chains, the Sojitz Group Human Rights Policy, and the Sojitz Group Environmental Policy, please refer to Sojitz's corporate website:

<https://www.sojitz.com/en/csr/relatedpolicies/>

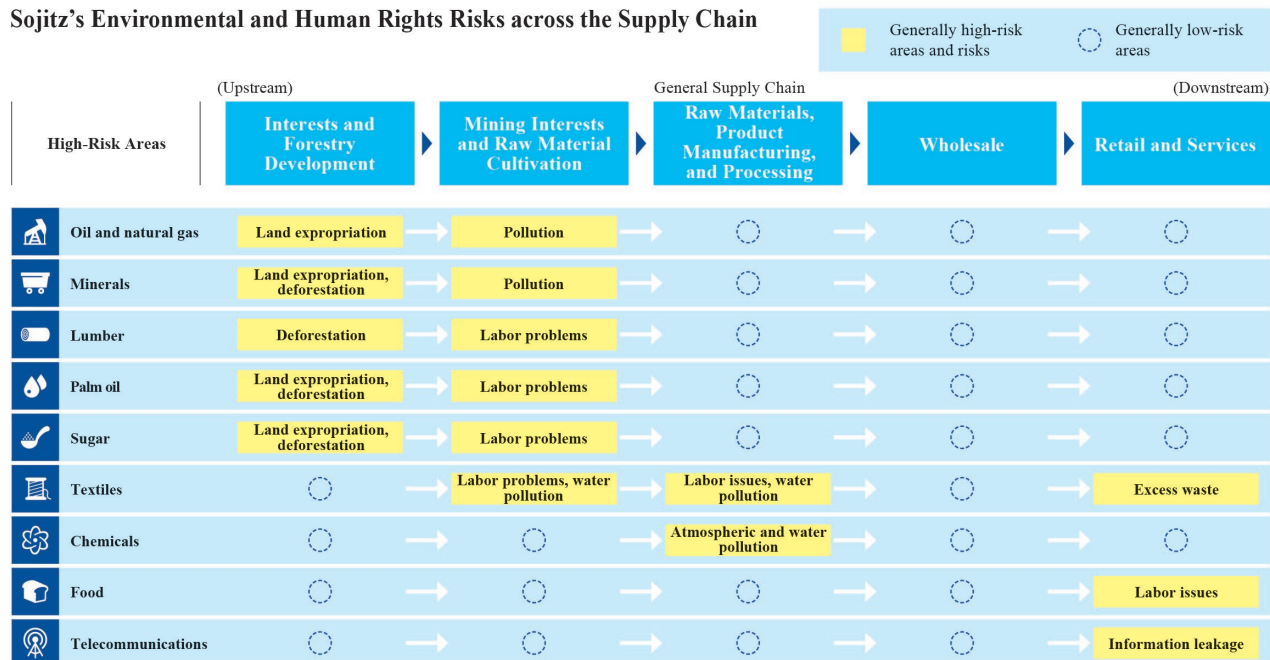
To ensure that all members of the Sojitz Group recognize respect for human rights as a top management priority, we require all Group companies to submit documents stating that they fully understand the importance of respecting human rights and that this understanding has been shared with frontline operations. The Corporate Sustainability Office maintains direct contact with the human rights representatives of Group companies in order to spread understanding regarding human rights policies and initiatives while soliciting the opinions of people at actual worksites.

### Risk Assessment

Sojitz is engaged in a diverse range of businesses encompassing all areas of the supply chain. The Business & Human Rights Resource Centre, a U.K. NGO, maintains a database with examples of environmental and human rights risks. This database is used to identify areas of Sojitz Group businesses in which risks are particularly high and to analyze and confirm the areas of the supply chain in which environmental and human rights risks are generally most likely to appear.



### Sojitz's Environmental and Human Rights Risks across the Supply Chain



The following PDCA (plan-do-check-act) cycle is implemented with regard to the high-risk business areas indicated above.

1. Comprehensive surveys of Group companies and business partners
2. Monitoring through meetings with Group companies
3. On-site investigations and other human rights due diligence measures

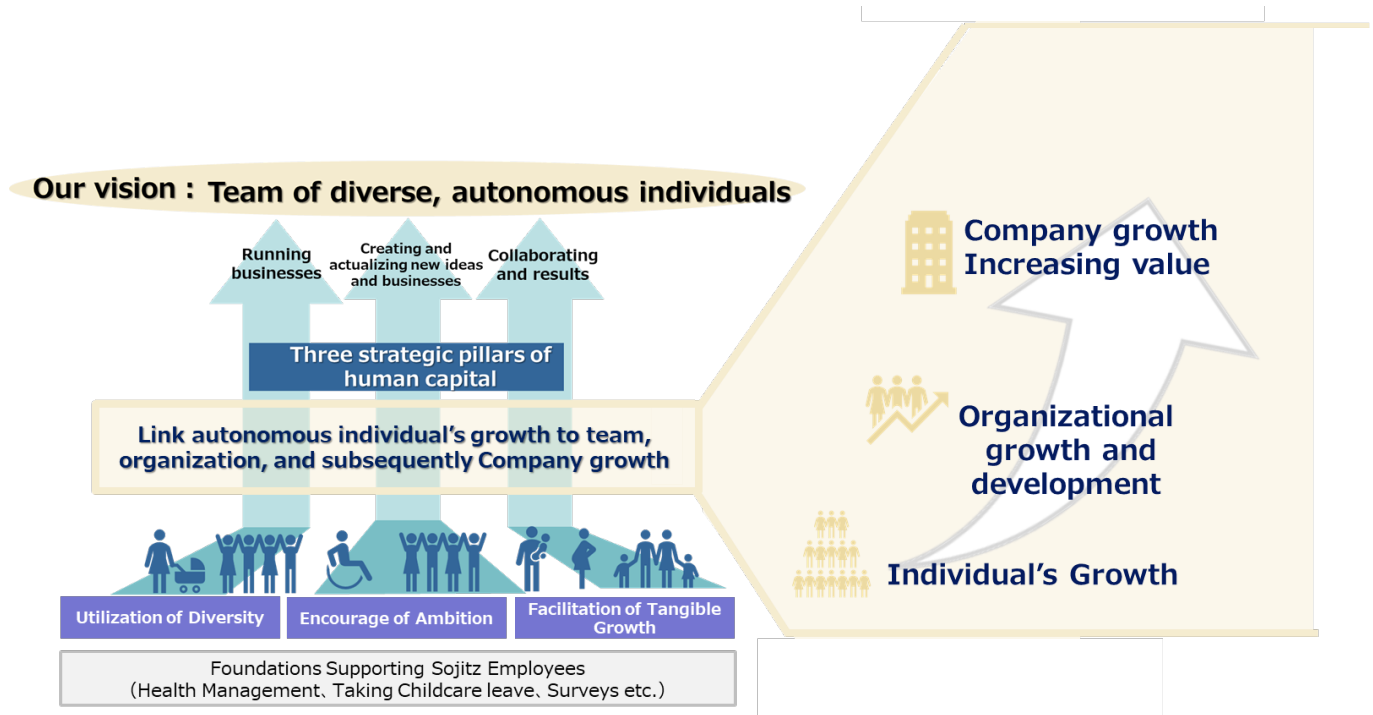
### Improvements, Remedial Action, and Results Disclosure

It has been confirmed that no issues exist in relation to the response measures of Sojitz Group companies or across the supply chain in the identified high-risk areas. In addition, external experts have been consulted to identify any areas requiring improvements. We will continue to pursue improvements with regard to high-risk areas through the implementation of a PDCA cycle, and timely and appropriate disclosure will be practiced in this regard.

## 2) Corporate and human resource reformation initiatives

Marching boldly toward the vision for 2030 of becoming a general trading company that constantly cultivates new businesses and human capital, the Sojitz Group continues to cultivate and mobilize human resources capable of creating two types of value: value for society and value for Sojitz.

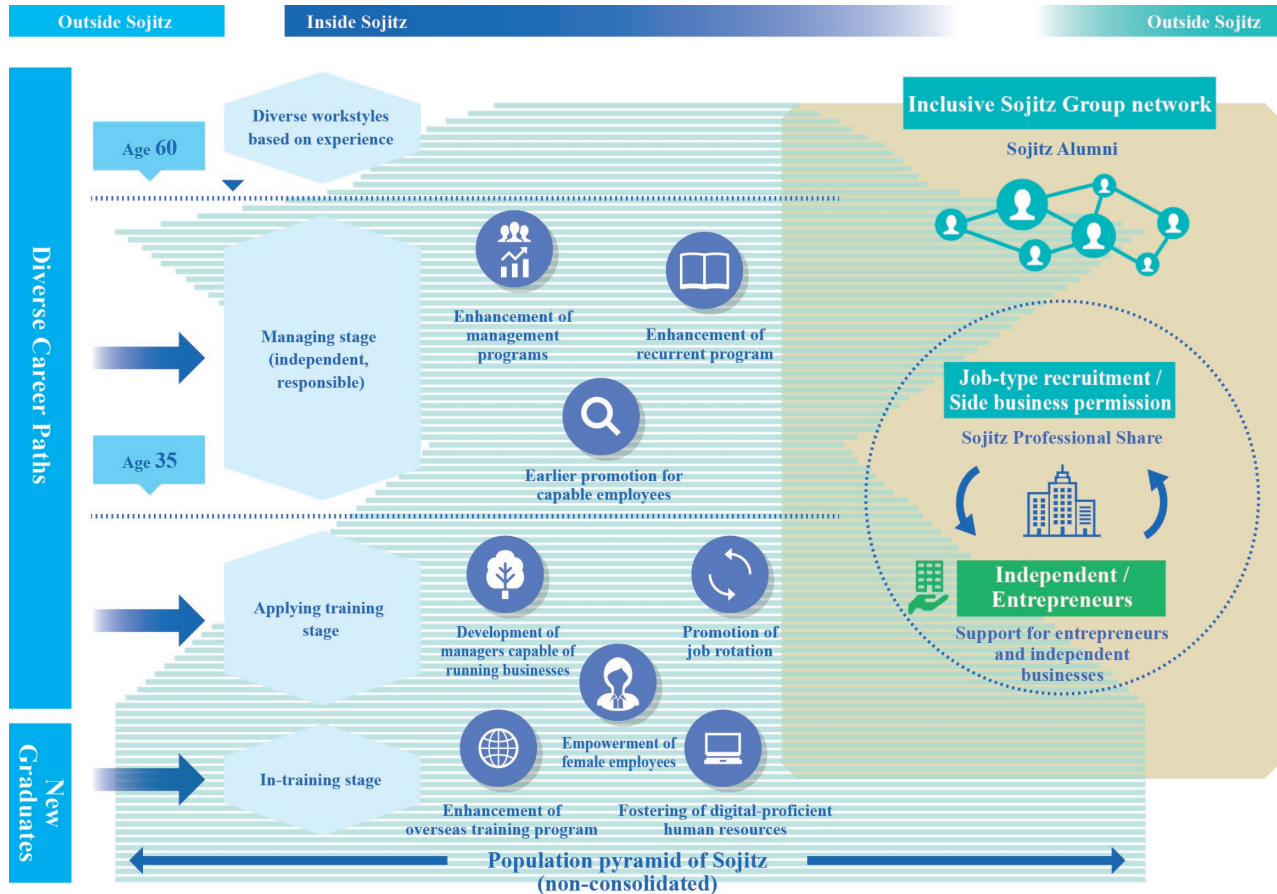
We believe that a team of diverse, autonomous individuals is a driver of value creation for companies. Based on this belief, we are rolling out various measures to support the three human resource strategies of utilization of diversity, encouragement of ambition, and facilitation of tangible growth while also establishing an environment that enables employees to adopt diverse workstyles. This is the approach we are taking toward reforming organizations while fostering employees capable of running businesses, creating and actualizing new ideas and businesses, and collaborating and producing results.



## Cultivation of Diverse Human Resources

Sojitz is actively utilizing diverse human resources with differing insights and experience, regardless of their age, gender, or nationality. We seek to develop independency and autonomy in our employees of different generations on diverse career stages through training and other strategies, and create a cycle in which our employees can feel their personal growth and contribution in order to create a team of diverse and autonomous individuals.

[The Human Capital Development Framework]



## ① Utilization of Diversity

In practicing diversity management, Sojitz is developing an environment conducive to value creation, by incorporating the innovative ideas of diverse employees in an effective and multifaceted manner. By advancing the following initiatives, we aim to foster and utilize employees with diverse backgrounds and values to identify market needs from multiple perspectives and thereby drive value creation.

- Promoting women in the workplace

Sojitz has established a dedicated diversity management organization and efforts are being advanced from a medium-to long-term perspective to develop a workplace environment in which contributions by women employees are commonplace. Sojitz is bolstering its human resource pipelines among all age groups while helping employees gain experience and encouraging them to pursue career development with the aim of increasing the representation of women in management.

### FY2021's Initiatives

- Continued to actively recruit women for new graduate career-track positions as well as for mid-career track positions.
- Increased the number of women promoted to managerial roles.
- Increased the ratio of female career-track employees seconded to companies overseas or within Japan so employees can gain additional experience.
- Offered a mentorship program geared towards female career-track employees in their late 20s and early 30s, where members of Sojitz management serve as mentors.
- Provided female managers with opportunities to participate in external executive training.

Based on Sojitz's various efforts for empowering women in the workplace, Sojitz has been named in March 2022 a "Nadeshiko Brand 2022" company, a designation that recognizes Sojitz as a listed enterprise for its exceptional work to promote the success of women in the workplace. This year marks the sixth consecutive year Sojitz has received this designation.

### (Related information)

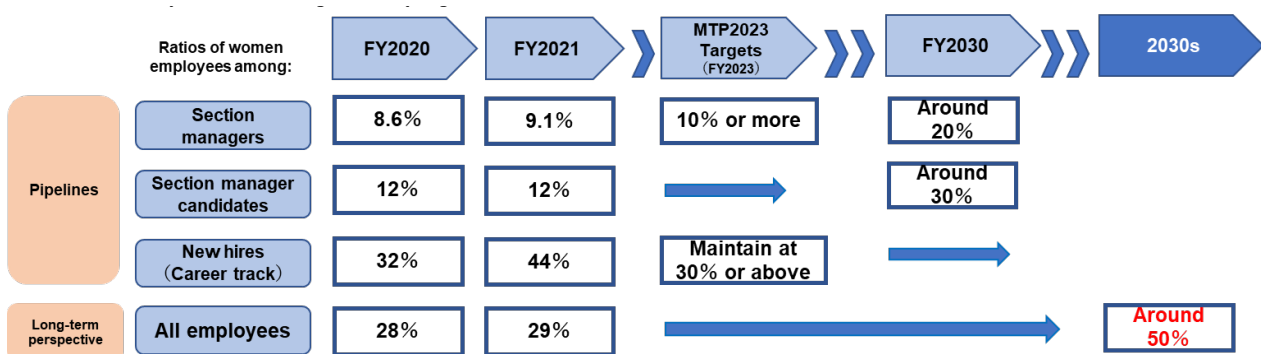
- Sojitz Selected as "Nadeshiko Brand for the Sixth Consecutive Year (March 2022)

<https://www.sojitz.com/en/news/2022/03/20220323.php>

- General Employer Action Plan (April 2021 – March 2024) established in accordance with Japan's Act on Promotion of Women's Participation and Advancement in the Workplace

[https://www.sojitz.com/en/csr/employee/pdf/kodo2021\\_en.pdf](https://www.sojitz.com/en/csr/employee/pdf/kodo2021_en.pdf)

### Women's Empowerment Targets and Progress



- Utilization of locally-hired human resources

Sojitz is looking to increase the number of chief officer posts filled by locally-hired human resources in order to incorporate local networks, grow its business domain, and create new businesses centered on overseas operating companies.

## ② Encouragement of Ambition

The current era of volatility requires employees with fresh perspectives for making new observations, responsibility and conviction for giving form to one's ideas, and the inquisitiveness and independence required to see these efforts through. Sojitz is committed to fostering human resources with the ability to transcend existing business frameworks and preconceptions to create value based on new ideas and thereby drive the ongoing growth and eventually the rapid evolution of the Company.

- Challenge-Taking Index as a KPI

Recognizing how important to ongoing growth it is for employees to be inspired to tackle new challenges, Sojitz is fostering a corporate culture that encourages ongoing ambitious endeavors in new fields and areas. Specifically, we have established a challenge-taking index that is incorporated into the annual commitments made by all employees, and the ratio of positive evaluations by supervisors regarding this index has been defined as a key performance indicator (KPI). Moreover, employee awareness surveys are conducted regularly to gauge the level of ambition among employees and assess the state of our workplace environment. This information is used to guide ongoing efforts to develop an environment that is conducive to tackling new challenges.

### - Hassojitz Project

The Hassojitz Project is a new business creation project launched in 2019 with the aim of fostering employees' abilities to plan for the future and to practice strategic thinking by providing an opportunity to contemplate Sojitz's future growth. This project entered its third year in 2021. The theme for Hassojitz Project 2021 is co-creation, and we accepted project ideas that aimed to create value with partner companies.

- Introduction of Support System for Entrepreneurs and Independent Businesses

Sojitz has introduced a support system for entrepreneurs and independent businesses that provides employees pursuing such ventures access to Sojitz's resources (funding, informational resources, and networks). The ideas developed through Hassojitz Project can now be commercialized and established as independent businesses through this funding initiative.

### - Digital-Proficient Human Resource Development (Please refer to "3) Digital Transformation Initiative Policies.")

Sojitz refers to human resources capable of utilizing internal and external data and digital technologies to transform business models and processes as "digital-proficient human resources," and we are dedicating efforts to cultivating such human resources.

### - Establishment of Sojitz Professional Share Co., Ltd.

In the coming era, it will be important to abandon prior conventions such as seniority based on years of employment and lifetime employment to ensure that employees with diverse values and career ambitions can maintain high levels of motivation. Sojitz Professional Share Co., Ltd. is a platform supporting the diverse career and life plans of employees over 35. This company allows employees to work until the age of 70, has no restrictions on workplace or time, and authorizes side businesses and entrepreneurial



ventures to support every employee in making ongoing contributions on new career paths.

#### - Sojitz Alumni

In response to a proposal made by former Sojitz employees to establish “Sojitz Alumni,” we officially recognize and support operations of Sojitz Alumni activities. Sojitz Alumni is a platform for expanding our business scope via networking among current members of Sojitz as well as former members. This platform also facilitates the creation of new business opportunities and open innovation that transcends the boundaries of our existing business domain through the development of a more inclusive Sojitz Group.

#### ③ Facilitation of Tangible Growth

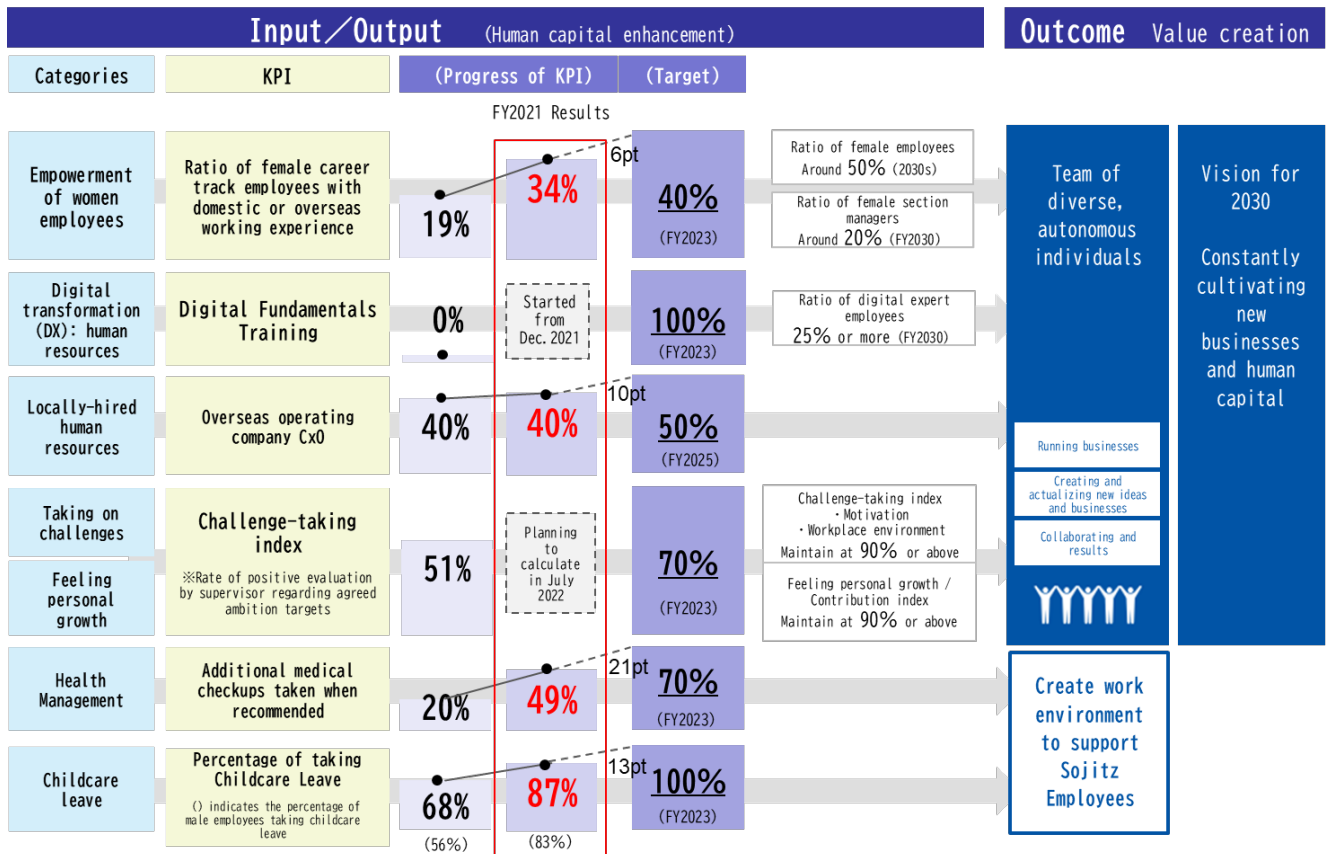
Sojitz has fostered an open culture in which employees feel safe to fail. With this culture, we are creating a virtuous cycle through which we encourage employees to tackle ambitious challenges and thereby facilitate tangible growth in order to foster diversity within our employee base. Through the following initiatives, we are developing an environment in which employees and the Company choose each other and spur their own mutual growth.

- Peer mentor system and senior mentor system (For new employees)
- Overseas training program
- Training for every career stage
- Job rotation system

In addition to promoting the three pillars of the human resource strategies, we are building a work environment to support Sojitz employees by enhancing health management systems and expanding the parental leave system.

Sojitz has established human capital KPIs in June 2021 to guide the implementation of human resource strategies that are integrated into businesses based on these three strategic pillars. With dynamic and flexible KPIs that can be revised based on the operating environment trends and the degree of dissemination of human resource measures, we are implementing monitoring systems while adjusting measures as necessary.

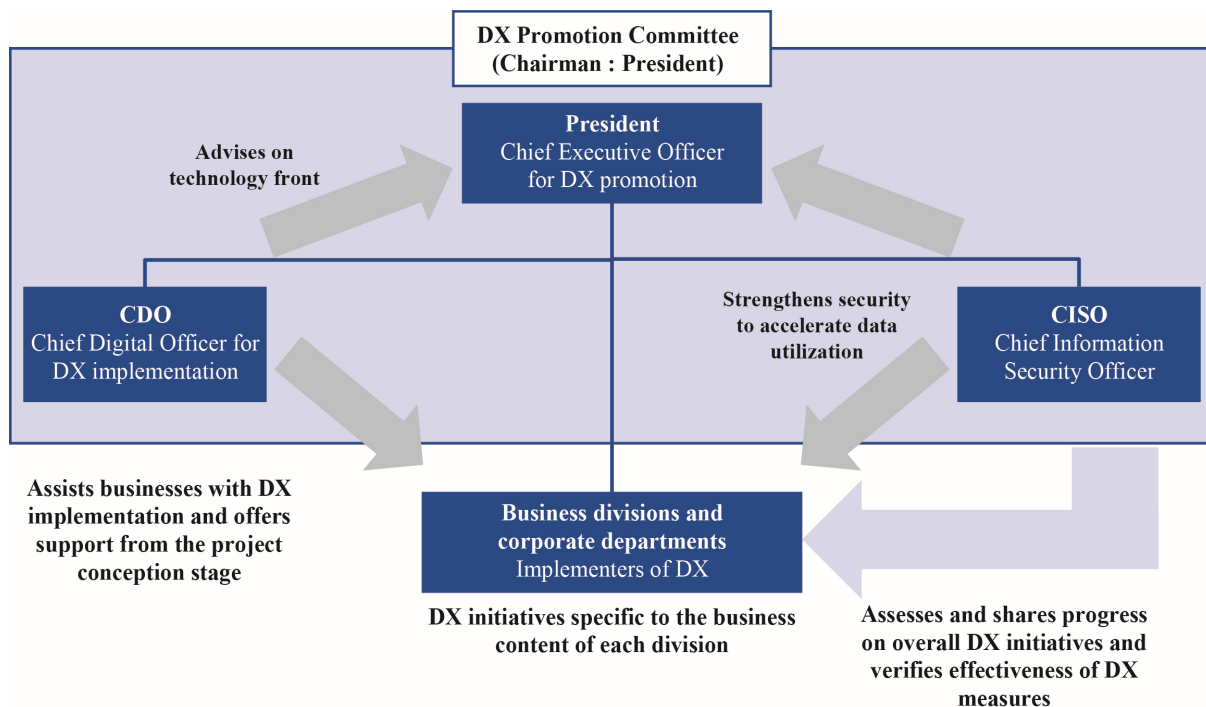




### 3) Digital Transformation Initiative Policies

Digital technologies are indispensable for tying the needs of customers and society to the creation of value. For this reason, Sojitz has positioned digital technologies as a lingua franca in which all employees should be proficient. Based on Sojitz's vision for 2030 of becoming a general trading company that constantly cultivates new businesses and human capital, digital technologies will be utilized to further the Company's evolution in terms of business models and processes and human resources in order to fuel value creation under Medium-Term Management Plan 2023. In evolving business models, digital technologies will be implemented and utilized to transform existing business models while creating new businesses to be grown into business pillars. General trading companies develop businesses that encompass a plethora of diverse industries. As such, it is not always feasible to advance digital transformation based on a single, uniform approach. We are therefore promoting digital transformation on an individual business-basis while cultivating human resources capable of supporting such transformation in each business in order to evolve Sojitz into a truly digital company.

Sojitz established the DX Promotion Committee, which is chaired by the president, in April 2021 and also recruited an external individual to serve as CDO (chief digital officer), the highest authority for advancing digital transformation, and appointed a CISO (chief information security officer) to oversee information security efforts. With this framework in place, digital transformation initiatives will be accelerated alongside efforts to reinforce information security in order to facilitate greater data utilization. We thereby aim to advance the digitization of both new and existing business.



# **(8) Business locations of Sojitz Group and the number of employees (As of March 31, 2022)**

## **(a) Business locations of Sojitz Group**

### <Domestic>

HQ	Chiyoda-ku, Tokyo
Branches, etc.	Kansai Office (Osaka), Hokkaido Branch (Sapporo), Tohoku Branch (Sendai) and Nagoya Branch (Nagoya)

### <Overseas>

Total 78 locations: Sojitz Corporation of America, Sojitz Asia Pte. Ltd. (Singapore), Sojitz Europe plc, Sojitz (China) Co., Ltd., MEA Office (Dubai), and other subsidiaries, branches, liaison offices and sub-branches

## **(b) Number of employees**

Segment	Number of employees
Automotive	4,604
Aerospace & Transportation Project	1,219
Infrastructure & Healthcare	1,982
Metals, Mineral Resources & Recycling	857
Chemicals	1,615
Consumer Industry & Agriculture Business	3,957
Retail & Consumer Service	3,973
Others	2,466
Total	20,673

## **(c) Employees of Sojitz**

Number of employees	Change from the previous year	Average age	Average years of service
2,558	7 (increase)	41.8 years old	15.4 years

- (Notes) 1. The above figures do not include 79 locally hired employees in overseas offices.  
 2. The average years of service is calculated including the length of service at the former Nichimen Corporation and Nissho Iwai Corporation.

**(9) Major Subsidiaries (As of March 31, 2022)**

**(a) Major consolidated subsidiaries and equity method associates**

**Consolidated Subsidiaries** (Millions of yen, unless otherwise specified)

Company	Capital	Controlling share (%)	Major business activities
Sojitz Corporation of America	US\$337,937,090	100.00	Trading business
Sojitz Europe plc (UK)	13,240 GBP26,618,500	100.00	Trading business
Sojitz Asia Pte. Ltd.	US\$136,507,474	100.00	Trading business
Sojitz Aerospace Corporation	1,410	100.00	Import/export and sales of aerospace- and defense-related equipment
Nissho Electronics Corporation	14,336	100.00	IT systems and network services
Sojitz Ject Corporation	460	100.00	Trading of coke, coal products and industrial minerals
Sojitz Pla-Net Corporation	3,000	100.00	Trading and sales of plastic raw materials and products
Pla Matels Corporation	793	100.00 (Note)	Trading and sales of plastic raw materials and products
Sojitz Building Materials Corporation	1,039	100.00	Sales of construction materials and related products including lumber and construction planning, research, design, supervision and contracting, etc.
Sojitz Foods Corporation	412	100.00	Sales of sugar; glycated products; dairy products; farm, livestock and marine products; processed foodstuffs; and other foodstuff
Sojitz Fashion Co., Ltd.	200	100.00	Planning, production and sales of cotton, synthetic and knit fabrics, etc.
Sojitz New Urban Development Corporation	3,000	100.00	Development and consignment sales of condominiums, real estate brokerage, development and ownership of rental condominiums, sale of residential-related products
Sojitz Machinery Corporation	301	100.00	Import/export and sales of general industrial machinery, bearing, automobile and two-wheel vehicle parts, and marine-related equipment
Sojitz Kyushu Corporation	500	100.00	Domestic regional company

(Note) Pla Matels Corporation is a 100.00%-owned subsidiary of Sojitz Pla-Net Corporation.

**Equity Method Associates**

(Millions of yen)

Company	Capital	Controlling share (%)	Main business activities
Metal One Corporation	100,000	40.00	Import/export and domestic and offshore sales of steel-related products
LNG Japan Corporation	8,002	50.00	LNG business and related investments and loans
JALUX Inc.	2,558	22.21	Logistics and services operations related to airlines and airport retail, lifestyle and customer service sectors

**(b) Progress of mergers**

On April 1, 2021, Sojitz Machinery Holdings Corporation, e-Energy Corporation, Sojitz Machinery Corporation and Sojitz Marine & Engineering Corporation merged with Sojitz Autrans Corporation as the surviving company, whose name was changed to Sojitz Machinery Corporation.

**(c) Result of mergers**

1. Sojitz Group now has 294 consolidated subsidiaries and 136 equity method associates.
2. For the business performance of Sojitz Group in FY2021, please refer to “(2) Review of progress and performance in operations.”

## 2. Sojitz's Shares (As of March 31, 2022)

### (1) Total number of shares authorized to be issued

Common stock 500,000,000 (As of March 31, 2021: 2,500,000,000)

(Note) Sojitz conducted a one-for-five share consolidation of shares of common stock effective October 1, 2021.

### (2) Total number of shares issued and outstanding

Common stock 250,299,900 (As of March 31, 2021: 1,251,499,501)

- (Notes)
1. The total number of outstanding shares of common stock includes the number of treasury stock (As of March 31, 2022: 18,467,353 shares). The number of treasury stock does not include the number of Sojitz shares held by the trust account for the Board Incentive Plan (BIP) Trust (As of March 31, 2022: 1,003,203 shares).
  2. Sojitz conducted a one-for-five share consolidation of shares of common stock effective October 1, 2021.

### (3) Number of Shareholders

Common stock 176,911

### (4) Major Shareholders

#### Common Stock

Shareholder	Investment in Sojitz	
	Shares held (in thousands)	Shares outstanding (%)
The Master Trust Bank of Japan, Ltd. (Note 2)	34,054	14.69
ICHIGO TRUST PTE. LTD.	24,726	10.67
Custody Bank of Japan, Ltd. (Note 3)	15,878	6.85
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	4,865	2.10
JAPAN SECURITIES FINANCE CO., LTD.	4,083	1.76
STATE STREET BANK AND TRUST COMPANY 505103	3,828	1.65
STATE STREET BANK WEST CLIENT – TREATY 505234	3,579	1.54
SMBC Nikko Securities Inc.	3,561	1.54
THE BANK OF NEW YORK MELLON 140044	2,605	1.12
JPMorgan Securities Japan Co., Ltd.	2,584	1.11

- (Notes)
1. Numbers of shares less than 1,000 are rounded down and the figures of shares outstanding are rounded to the nearest second decimal place.
  2. The number of shares held by The Master Trust Bank of Japan, Ltd. includes 32,495 thousand shares held in trust accounts.
  3. The number of shares held by Custody Bank of Japan, Ltd. includes 14,689 thousand shares held in trust accounts.
  4. The shares outstanding are calculated excluding the number of shares of treasury stock.
  5. Sojitz conducted a one-for-five share consolidation of shares of common stock effective October 1, 2021.

### 3. Sojitz's Directors and Audit & Supervisory Board Members

#### (1) List of Directors and Audit & Supervisory Board Members (As of March 31, 2022)

Name	Position	Responsibilities	Important concurrent position
Masayoshi Fujimoto	Representative Director, President & CEO	CEO	
Seiichi Tanaka	Representative Director, Executive Vice President	CFO Executive Management of General Accounting, Business Accounting, Finance, IR, Financial Solutions, Controller Office	
Ryutaro Hirai	Representative Director, Executive Vice President	Advisor to the President, Executive Management of Business Group (Automotive, Aerospace & Transportation Project; Infrastructure & Healthcare; Metals, Mineral Resources & Recycling) and East Asia region	
Masao Goto	Director, Senior Managing Executive Officer	Executive Management of Business Group (Chemicals, Consumer Industry & Agriculture Business, Retail & Consumer Service)	
Norio Otsuka	Outside Director		Advisor of NSK Ltd. External Member of the Board of Taisei Corporation
Kayoko Naito	Outside Director		Counsel of Oh-Ebashi LPC & Partners Member of The Japan-Mekong Business Cooperation Committee, The Japan Chamber of Commerce and Industry Supervisory Officer of Tokyo Infrastructure Energy Investment Corporation
Naoko Saiki	Outside Director		Visiting Professor of Graduate School of Public Policy, The University of Tokyo Outside Audit & Supervisory Board Member of Development Bank of Japan Inc. Outside Director of Komatsu Ltd.
Ungyong Shu	Outside Director		Representative Director of The Core Value Management, Inc. Outside Director (Audit and Supervisory Committee Member) of Dai-ichi Life Holdings, Inc.
Masaaki Kushibiki	Audit & Supervisory Board Member (full-time)		

Name	Position	Responsibilities	Important concurrent position
Takehiro Honda	Audit & Supervisory Board Member (full-time)		
Kazunori Yagi	Outside Audit & Supervisory Board Member		Outside Audit & Supervisory Board Member of Yokogawa Bridge Holdings Corporation
Michiko Nagasawa	Outside Audit & Supervisory Board Member		Partner of The Tokyo-Marunouchi Law Offices Outside Audit & Supervisory Board Member of SOHGO SECURITY SERVICES CO., LTD.
Kazuhiro Yamamoto	Outside Audit & Supervisory Board Member		

- (Notes)
1. Norio Otsuka, Kayoko Naito, Naoko Saiki and Ungyong Shu are Outside Directors as stipulated in Article 2, Item 15 of the Companies Act.
  2. Kazunori Yagi, Michiko Nagasawa and Kazuhiro Yamamoto are Outside Audit & Supervisory Board Members as stipulated in Article 2, Item 16 of the Companies Act.
  3. Masaaki Kushibiki has a substantial knowledge of finance and accounting, having been engaged in operations such as accounting, tax, and risk management, etc. at Sojitz and holding important positions including person in charge of risk management and human resources and general affairs. Kazunori Yagi has substantial knowledge of finance and accounting, having been responsible for finance, accounting, and business planning at Yokogawa Electric Corporation and holding important positions including the General Manager of Administration Headquarters. Kazuhiro Yamamoto has substantial knowledge of finance and accounting, having being responsible for finance, accounting, and business planning at Teijin Limited and holding important positions including CFO.
  4. Sojitz has appointed Norio Otsuka, Kayoko Naito, Naoko Saiki, Ungyong Shu, Kazunori Yagi, Michiko Nagasawa and Kazuhiro Yamamoto as independent Outside Officers, and submitted a notification of their appointment to Tokyo Stock Exchange, Inc.
  5. There are no special relationships that affects business execution by the Outside Officers between Sojitz and the companies where Outside Officers of Sojitz have concurrent positions (stated in the above "Important concurrent position").
  6. Audit & Supervisory Board Member Junichi Hamatsuka resigned at the conclusion of the 18th Ordinary General Shareholders' Meeting held on June 18, 2021.



## (2) Remuneration of Directors and Audit & Supervisory Board Members

(Millions of yen)

	Number of persons to be paid	Basic remuneration	Performance-linked remuneration		Total
		Monetary (*1 and *2)	Monetary (short-term) (*1)	Share (medium- to long-term) (*3)	
Directors (Total)	8	317	158	73	549
Directors (Internal)	4	266	158	73	498
Outside Directors	4	51	—	—	51
Audit & Supervisory Board Members (Total)	7	106	—	—	106
Audit & Supervisory Board Members (Internal)	3	73	—	—	73
Outside Audit & Supervisory Board Members	4	32	—	—	32

(Note) Figures are rounded down to the nearest million yen.

\*1. Maximum remuneration of Directors (excluding Outside Directors):

Resolved at the Ordinary General Shareholders' Meeting held on June 27, 2007

(Number of Directors at the time of resolution of the General Shareholders' Meeting: Seven Directors (including one Outside Director))

¥550 million per year

Maximum remuneration of Outside Directors:

Resolved at the Ordinary General Shareholders' Meeting held on June 18, 2021

(Number of Directors at the time of resolution of the General Shareholders' Meeting: Eight Directors (including four Outside Directors))

¥100 million per year

\*2. Audit & Supervisory Board Members' maximum remuneration:

Resolved at the Ordinary General Shareholders' Meeting held on June 27, 2007

(Number of Audit & Supervisory Board Members at the time of resolution of the General Shareholders' Meeting: Five Audit & Supervisory Board Members (including three Outside Audit & Supervisory Board Members))

¥150 million per year

\*3. System of performance-linked share remuneration, etc. for Directors, etc.):

Resolved at the Ordinary General Shareholders' Meeting held on June 18, 2021

(Number of Directors at the time of resolution of the General Shareholders' Meeting: Eight Directors (including four Outside Directors))

Persons eligible for Delivery of the Sojitz Shares	- Directors (excluding Outside Directors and non-residents in Japan) - Executive Officers (excluding non-residents in Japan)
Upper limit of cash contributed by Sojitz	¥1,800 million in total for three fiscal years
Upper limit of the number of Sojitz shares subject to Delivery to Directors	The upper limit of points to be granted to Directors shall be 6 million points (equivalent to 1.2 million shares after the share consolidation on October 1, 2021) for three fiscal years.

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 fiscal 2021 associated with the share delivery points regarding the BIP Trust.

● Outline of the remuneration system for company officers (Executive Remuneration Policy)

Sojitz formulated the policy for determination of the details of the remuneration for individual Directors at the meeting of the Board of Directors held on April 30, 2021, which is described below. The said determination policy was decided by the resolution of the Board of Directors after deliberation by the Remuneration Committee.

Basic view	<p>Sojitz's basic view on remuneration for Directors and Executive Officers (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 new 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 the shareholder value of Sojitz.</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</p> <p>In line with the basic policies, the level of remuneration shall stay attractive commensurate with job responsibilities of each of the Officers. The level of remuneration shall be determined in consideration of factors such as other general trading companies, surveys conducted by third parties on executive remuneration at listed corporations both in Japan and abroad, 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 external business environment.</p> <p>◆ Structure of remuneration</p> <p>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 corporate philosophy and the creation and provision of the two types of value.</p> <table border="0"> <tr> <td>- Basic remuneration (fixed remuneration):</td><td>Monetary remuneration determined by the individual's rank, commensurate with job responsibilities</td></tr> <tr> <td>- Performance-linked remuneration (short-term):</td><td>Monetary remuneration linked to corporate performance in a single year as well as the progress made with the Medium-Term Management Plan</td></tr> <tr> <td>- Performance-linked remuneration (medium- to long-term):</td><td>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)*</td></tr> </table>	- Basic remuneration (fixed remuneration):	Monetary remuneration determined by the individual's rank, commensurate with job responsibilities	- 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	- 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)*
- Basic remuneration (fixed remuneration):	Monetary remuneration determined by the individual's rank, commensurate with job responsibilities						
- 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						
- 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>◆ Remuneration mix [Executive Officers (including those concurrently serving as Directors)]</p> <table><tr><th>Basic remuneration</th><th>Performance-linked remuneration (short-term)</th><th>Performance-linked remuneration (medium- to long-term)</th></tr><tr><td>54% - 66%</td><td>21% -26%</td><td>13% - 20%</td></tr></table> <p>[Outside Directors] Remuneration consists wholly of basic remuneration, while special allowance shall be paid separately to the Chairman of the Board of Directors, and the chairpersons of the Nomination Committee and the Remuneration Committee.</p> <p>◆ Timing of the payment of remuneration</p> <ul style="list-style-type: none"><li>- Basic remuneration: Paid monthly</li><li>- Performance-linked remuneration (short-term): Paid once a year at a certain time</li><li>- Performance-linked remuneration (medium- to long-term): After the retirement*</li></ul>	Basic remuneration	Performance-linked remuneration (short-term)	Performance-linked remuneration (medium- to long-term)	54% - 66%	21% -26%	13% - 20%
Basic remuneration	Performance-linked remuneration (short-term)	Performance-linked remuneration (medium- to long-term)					
54% - 66%	21% -26%	13% - 20%					
Determination method of performance-linked remuneration	Determined based on factors such as the level of achievement 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 a 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	Amount of remuneration of each of the Officers shall be determined by the Board of Directors, after deliberations at the Remuneration Committee chaired by an Outside Director, with the majority of committee members being Outside Directors.						

Note: 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 (0.2 Sojitz share per share delivery point after the share consolidation on October 1, 2021). The beneficiary requirements shall be determined as necessary to achieve the purpose of the share remuneration system.

● Breakdown of remuneration for Directors and Executive Officers (excluding Outside Directors)

In order to ensure that the executive remuneration system is closely linked to Sojitz's business performance and is highly transparent and objective, the target of each indicator was decided by the Board of Directors after deliberation by the Remuneration Committee, reflecting the targets for the final year of Medium-Term Management Plan 2023.

Type of remuneration			Outline	Performance-linked indicators (KPIs)	Evaluation weight	Variation in remuneration	Timing of payment	Target	FY2021 results
Basic remuneration	Fixed	Cash (54-66%)	Determined by the individual's rank, commensurate with job responsibilities	—	—	—	Monthly	—	—
				—	—	—	—	—	—
Performance-linked remuneration	Variable	Short-term Cash (21-26%)	Linked to corporate performance in a single year as well as progress made with the Medium-Term Management Plan	Consolidated net profit (Note 1) (level of achievement of single-year targets)	35%	0-150% (Note 2)	Once a year, at a certain time	¥53.0 billion	¥82.3 billion
				Consolidated net profit (Note 1) (progress made toward cumulative targets of the Medium-Term Management Plan)	35%			¥53.0 billion	¥82.3 billion
				ROE	20%			8.4%	12.2%
				Core operating cash flow (level of achievement of single-year targets)	5%			¥71.0 billion	¥128.7 billion
				Core operating cash flow (progress made toward cumulative targets of the Medium-Term Management Plan)	5%			¥71.0 billion	¥128.7 billion
		Medium-to-long-term Shares (13-20%)	Linked to the achievement of the Medium-Term Management Plan and the increase in corporate value (in terms of ESG and share price)	Accumulated consolidated net profit (Note 1) in the three-year period	60%	60-200%	Shares allotted after retirement	¥195.0 billion	—
				Sojitz share growth rate (Note 3)	30%			110%	
				ESG (environmental, social, and governance)-related criteria (Note 4)	10%			See below	



Notes 1. Refers to profit for the year attributable to owners of the Company.  
2. If actual results for each criterion fall below 40% of the targets, no remuneration shall be paid for such criterion.  
3. Evaluation shall be made based on a relative comparison between total shareholder return (TSR) of Sojitz and TOPIX (including dividends).  
4. Level of achievement of the ESG targets is evaluated by the Remuneration Committee.

ESG Areas	Evaluation Indicators	Evaluation Standards
Decarbonization	1. Reduction in direct energy use by the Company 2. Reduction in thermal coal, coking coal, and oil field interests	Amount for reduction from March 31, 2021
Social issues	Initiatives for addressing social issues based on two types of value 1. Initiatives for contributing to a recycling-oriented society 2. Essential infrastructure development and related service provision 3. Regional economy invigoration initiatives in Japan	Status of Companywide and division initiatives described on the left
Corporate governance	1. Companywide initiatives by division 2. Index evaluations, etc.	1. Improvements in and reinforcement of corporate governance through reports to the Compliance Committee and the Internal Control Committee 2. Evaluations from third-party institutions
Human capital	1. Empowerment of female employees 2. Childcare leave acquisition 3. Improvement in major employee awareness survey items	1. Increases in ratios and numbers of female career track employees with overseas experience 2. Improvement of childcare leave acquisition rates 3. Degree of improvement in items of employee awareness survey instituted in March 2021

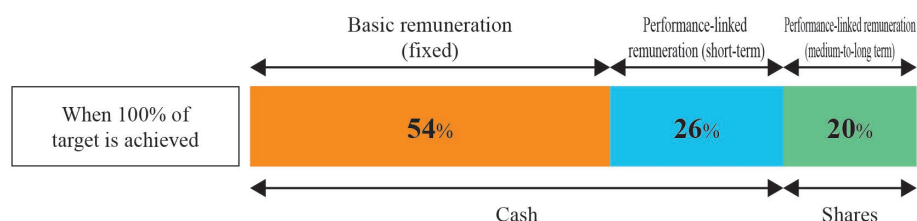
● Method for determining remuneration, etc. for individual Directors

Amounts of remuneration, etc. for individual Directors for fiscal 2021 were determined by the resolution of the Board of Directors after deliberation by the Remuneration Committee, including the target of each evaluation indicator, based on the Executive Remuneration Policy and the method of calculating basic remuneration determined by rank (fixed remuneration), performance-linked remuneration (short-term) and performance-linked remuneration (medium to long-term). The Board of Directors confirmed that the procedures were consistent with the aforementioned determination policy, and details of such remuneration were in line with the policy.

● Remuneration for Audit & Supervisory Board Members

Performance-linked remuneration is not introduced for Audit & Supervisory Board Members in view of their role in auditing Directors' execution of their duties. Audit & Supervisory Board Members are, therefore, subject only to basic remuneration (monetary), and amounts of remuneration for individual Audit & Supervisory Board Members are determined by the Audit & Supervisory Board through consultations.

[Illustrated description of remuneration for the Representative Director, President & CEO of Sojitz according to the level of achievement of targets for performance-linked remuneration]



- Total amount of remuneration is variable within a range between approximately 65% and 130% with the achievement of targets being 100%, based on the achievement rate of each criterion related to performance.

- Of the performance-linked remuneration, “medium- to long-term” remuneration is the amount equivalent to the granting of share delivery points by the BIP Trust.

### (3) Main activities of Outside Officers

Name	Position	Number of attendance at the Board of Directors meetings	Number of attendance at the Audit & Supervisory Board meetings	Main activities
Norio Otsuka	Outside Director Independent Director Chairman of the Board of Directors	100% (16/16)	—	<p>From an objective perspective based on his abundant experience and deep insight regarding management acquired through his service as Director, President and Chief Executive Officer, and Chairperson of NSK Ltd., and through promoting worldwide growth strategies and strengthening corporate governance, Norio Otsuka has provided practical advice and recommendations. As the Chairman of the Board of Directors of Sojitz, he has made efforts to improve the effectiveness of the Board of Directors by actively participating in its operation of the Board of Directors.</p> <p>In addition to the above, as a member of the Nomination Committee and the Remuneration Committee, he attended all 14 meetings of these two committees held during the fiscal year ended March 31, 2022. As a member of the Nomination Committee, he was involved in the deliberation for the selection of candidates for Outside Directors and Outside Audit &amp; Supervisory Board Members as well as the appointment of company officers, and the promotion of reinforcement and enhancement of the operation of succession plans. As a member of the Remuneration Committee, he was involved in deliberation on reform of the executive remuneration system. Providing sound advice based on his expertise and knowledge from an independent and objective standpoint, he is endeavoring to improve the corporate value of Sojitz.</p>
Kayoko Naito	Outside Director Independent Director Chairperson of the Remuneration Committee	100% (16/16)	—	<p>As an attorney, based on her advanced and professional knowledge and abundant experience in international and corporate legal affairs, as well as in soft law, which is a global norm, Kayoko Naito has provided appropriate and useful advice from a standpoint independent from the executive management team. In addition to the above, as a member of the Nomination Committee and the Remuneration Committee, she attended all 14 meetings of these two committees held during the fiscal year ended March 31, 2022. As the chairperson of the Remuneration Committee, she led the deliberation on reform of the executive remuneration system. As a member of the Nomination Committee, she was involved in the deliberation for the selection of candidates for Outside Directors and Outside Audit &amp; Supervisory Board Members as well as the appointment of company officers, and the promotion of reinforcement and enhancement of the operation of succession plans. Providing sound advice based on her expertise and knowledge from an independent and objective standpoint, she is endeavoring to improve the corporate value of Sojitz.</p>

Naoko Saiki	Outside Director Independent Director Chairperson of the Nomination Committee	100% (16/16)	—	Based on her experience and a high level of insight into international affairs, international laws, economics, and culture and experience gained through her career at the Ministry of Foreign Affairs in positions such as Director-General of the Economic Affairs Bureau and Director-General of the International Legal Affairs Bureau, and working at the forefront of diplomatic negotiations, Naoko Saiki has played an active role, by providing valuable advice on a wide range of fields such as world affairs, environment and society, and personnel development. In addition to the above, as a member of the Nomination Committee and the Remuneration Committee, she attended all 14 meetings of these two committees held during the fiscal year ended March 31, 2022. As the chairperson of the Nomination Committee, she led the deliberation for the selection of candidates for Outside Directors and Outside Audit & Supervisory Board Members as well as the appointment of company officers, and the promotion of reinforcement and enhancement of the operation of succession plans. As a member of the Remuneration Committee, she was involved in deliberation on reform of the executive remuneration system. Providing sound advice based on her expertise and knowledge from an independent and objective standpoint, she is endeavoring to improve the corporate value of Sojitz.
Ungyong Shu	Outside Director Independent Director	100% (12/12)	—	Ungyong Shu held important positions at J.P.Morgan Securities and Merrill Lynch Japan Securities Limited, has extensive knowledge of M&A strategies and financial and capital policies, as well as extensive experience as a corporate manager at financial institutions and personal connections, and has provided accurate recommendations to the Board of Directors from a financial perspective. In addition to the above, as a member of the Nomination Committee and the Remuneration Committee, he attended all 11 meetings of these two committees held during the fiscal year ended March 31, 2022 after his appointment. As a member of the Nomination Committee, he was involved in the deliberation for the selection of candidates for Outside Directors and Outside Audit & Supervisory Board Members as well as the appointment of company officers, and the promotion of reinforcement and enhancement of the operation of succession plans. As a member of the Remuneration Committee, he provided recommendations on the framework of remuneration for Executive Officers. Providing sound advice based on his expertise and knowledge from an independent and objective standpoint, he is endeavoring to improve the corporate value of Sojitz.



Kazunori Yagi	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	100% (16/16)	100% (19/19)	Kazunori Yagi held key positions in accounting, business planning, and other areas at Yokogawa Electric Corporation, where he served as a Director. He also has experience as an outside director/audit & supervisory board member at several other companies. Based on his extensive experience in corporate management and professional expertise in auditing as a member of the Certified Public Accountants and Auditing Oversight Board, he has provided valuable advice from an independent standpoint and an objective perspective.
Michiko Nagasawa	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	100% (16/16)	100% (19/19)	As an attorney, Michiko Nagasawa has advanced and professional knowledge in the field of corporate legal affairs, held key positions in the field of justice, and has experience as an outside director at other companies. Based on her expertise and deep insight, she has provided valuable advice from an independent standpoint and an objective perspective.
Kazuhiro Yamamoto	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	100% (12/12)	100% (14/14)	Kazuhiro Yamamoto held a number of key positions at Teijin Limited, including General Manager of the Pharmaceutical and Medical Care Business Management Department, as well as President & Representative Director, CEO and CFO of Infocom Corporation, a listed subsidiary of Teijin Limited. Based on his high level of insight in the fields of management, information and telecommunications, and home healthcare, etc., and his knowledge of finance and accounting, which he has cultivated through his experience, he has provided valuable advice from an independent standpoint and an objective perspective.

(Note) The number of attendance at the Board of Directors meetings and the Audit & Supervisory Board meetings for Ungyong Shu and Kazuhiro Yamamoto is based on their attendance record after they assumed the office of Director or Audit & Supervisory Board Member on June 18, 2021.



#### **(4) Limited Liability Agreements with Directors and Audit & Supervisory Board Members**

Sojitz has concluded limited liability agreements with Outside Directors (Norio Otsuka, Kayoko Naito, Naoko Saiki and Ungyong Shu) and Audit & Supervisory Board Members (Masaaki Kushibiki, Takehiro Honda, Kazunori Yagi, Michiko Nagasawa and Kazuhiro Yamamoto) limiting their liabilities to the higher of ¥10 million or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.

#### **(5) Details of Directors and Officers Liability Insurance Contract**

Sojitz has concluded a Directors and Officers liability insurance contract with Directors and Audit & Supervisory Board Members of Sojitz and its subsidiaries as the insured. This insurance policy covers the damages and litigation expenses incurred by the insured in the event of a claim for damages arising from their actions (including omissions) in connection with their duties as officers of Sojitz. However, this policy does not cover damages, etc. of company officers who have intentionally committed criminal acts such as bribery or illegal activities, and thus ensures that the appropriateness of business execution of company officers, etc. is not impaired. Sojitz will bear the full amount of insurance premiums.

## Financial Statements

### Consolidated Financial Statements

#### Consolidated Statement of Financial Position

(Millions of yen)

Items	As of March 31, 2022	(Reference) As of March 31, 2021	Items	As of March 31, 2022	(Reference) As of March 31, 2021
Assets			Liabilities and equity		
Current assets			Liabilities		
Cash and cash equivalent	271,651	287,597	Current liabilities		
Time deposits	10,782	10,059	Trade and other payables	545,963	475,978
Trade and other receivables	791,466	636,186	Lease liabilities	17,427	16,778
Derivatives	10,743	4,734	Bonds and borrowings	231,216	158,595
Inventories	232,788	187,891	Derivatives	8,614	6,193
Income tax receivables	1,051	3,116	Income tax payables	19,007	5,851
Other current assets	68,382	64,924	Provisions	4,137	3,226
Subtotal	1,386,867	1,194,511	Other current liabilities	71,259	68,130
Assets as held for sale	7,352	892	Total current liabilities	897,627	734,754
Total current assets	1,394,220	1,195,403	Non-current liabilities		
Non-current assets			Lease liabilities	57,836	60,460
Property, plant and equipment	201,516	191,292	Bonds and borrowings	821,508	749,739
Right-of-use assets	69,661	72,821	Trade and other payables	8,203	6,136
Goodwill	82,522	67,201	Derivatives	117	656
Intangible assets	85,031	61,498	Retirement benefits liabilities	23,930	21,896
Investment property	13,261	11,603	Provisions	47,951	41,725
Investments accounted for using the equity method	490,320	433,029	Other non-current liabilities	8,891	9,636
Trade and other receivables	118,273	89,747	Deferred tax liabilities	31,734	20,470
Other investments	183,310	157,817	Total non-current liabilities	1,000,174	910,722
Derivatives	1,943	3	Total liabilities	1,897,802	1,645,476
Other non-current assets	13,012	11,804	Equity		
Deferred tax assets	8,607	7,890	Share capital	160,339	160,339
Total non-current assets	1,267,460	1,104,711	Capital surplus	147,027	146,814
			Treasury stock	(31,015)	(15,854)
			Other components of equity	136,747	77,772
			Retained earnings	314,913	250,039
			Total equity attributable to owners of the Company	728,012	619,111
			Non-controlling interests	35,866	35,527
			Total equity	763,878	654,639
Total assets	2,661,680	2,300,115	Total liabilities and equity	2,661,680	2,300,115

## Consolidated Statement of Profit or Loss

(Millions of yen)

Items	FY2021 (From April 1, 2021 to March 31, 2022)	(Reference) FY2020 (From April 1, 2020 to March 31, 2021)
Revenue		
Sale of goods	1,998,218	1,512,727
Sales of service and others	102,534	89,758
Total revenue	2,100,752	1,602,485
Cost of sales	(1,829,433)	(1,414,365)
Gross profit	271,319	188,120
Selling, general and administrative expenses	(180,314)	(161,080)
Other income (expenses)		
Gain (loss) on sale and disposal of fixed assets, net	6,702	2,860
Impairment loss on fixed assets	(2,637)	(5,470)
Gain on reorganization of subsidiaries/associates	6,060	3,923
Loss on reorganization of subsidiaries/associates	(18,215)	(2,128)
Other operating income	7,357	8,005
Other operating expenses	(13,052)	(8,327)
Total other income/expenses	(13,784)	(1,137)
Financial income		
Interests earned	7,425	5,418
Dividends received	5,063	3,034
Other financial income	828	53
Total financial income	13,317	8,506
Financial costs		
Interest expenses	(11,210)	(11,774)
Total financial cost	(11,210)	(11,774)
Share of profit (loss) of investments accounted for using the equity method	37,968	14,786
Profit before tax	117,295	37,420
Income tax expenses	(31,824)	(8,002)
Profit for the year	85,471	29,417
Profit attributable to:		
Owners of the Company	82,332	27,001
Non-controlling interests	3,138	2,416
Total	85,471	29,417

## (Reference) Consolidated Statement of Cash Flows

(Millions of yen)

Items	FY2021 (From April 1, 2021 to March 31, 2022)	FY2020 (From April 1, 2020 to March 31, 2021)
Cash flows from operating activities		
Profit for the year	85,471	29,417
Depreciation and amortization	34,279	31,850
Impairment loss on fixed assets	2,637	5,470
Finance (income) costs	(2,106)	3,268
Share of (profit) loss of investments accounted for using the equity method	(37,968)	(14,786)
(Gain) loss on sale of fixed assets, net	(6,702)	(2,860)
Income tax expenses	31,824	8,002
(Increase) decrease in trade and other receivables	(96,092)	1,162
(Increase) decrease in inventories	(26,026)	29,878
Increase (decrease) in trade and other payables	52,031	(14,948)
Changes in other assets and liabilities	6,950	8,696
Increase (decrease) in retirement benefits liabilities	(495)	(17)
Others	14,486	(122)
Subtotal	58,288	85,013
Interests earned	12,142	3,365
Dividends received	17,799	18,198
Interests paid	(11,961)	(12,199)
Income taxes paid	(11,184)	(9,405)
Net cash provided (used) by/in operating activities	65,084	84,972
Cash flows from investing activities		
Purchase of property, plant and equipment	(18,370)	(23,889)
Proceeds from sale of property, plant and equipment	10,287	12,084
Purchase of intangible assets	(8,700)	(6,774)
(Increase) decrease in short-term loans receivable	1,430	278
Payment for long-term loans receivable	(10,360)	(4)
Collection of long-term loans receivable	6,219	1,162
Proceeds from (payments for) acquisition of subsidiaries	(35,749)	(4,349)
Proceeds from (payments for) sale of subsidiaries	7,485	5,990
Purchase of investments	(58,097)	(31,364)
Proceeds from sale of investments	24,381	9,484
Others	(57,346)	1,704
Net cash provided (used) by/in investing activities	(138,819)	(35,676)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	54,245	(22,969)
Proceeds from long-term borrowings	270,356	172,645
Repayment of long-term borrowings	(214,740)	(149,769)
Proceeds from issuance of bonds	9,940	9,940
Redemption of bonds	(20,003)	(10,011)
Repayment of lease liabilities	(15,085)	(14,235)
Payment for acquisition of subsidiary's interests from non-controlling interests	(1,875)	(3,172)
Proceeds from non-controlling interest holders	418	1,186
Sales of treasury stock	3	8
Purchase of treasury stock	(15,173)	(5,000)
Dividends paid	(16,408)	(16,381)
Dividends paid to non-controlling interest holders	(4,710)	(2,878)
Others	(66)	15
Net cash provided (used) by/in financing activities	46,898	(40,621)
Net increase (decrease) in cash and cash equivalents	(26,835)	8,674
Cash and cash equivalents at the beginning of the year	287,597	272,651
Effect of exchange rate changes on cash and cash equivalents	10,890	6,271
Cash and cash equivalents at the end of the year	271,651	287,597

## Non-consolidated Financial Statements

### Non-consolidated Balance Sheet

(Millions of yen)

Items	As of March 31, 2022	(Reference) As of March 31, 2021	Items	As of March 31, 2022	(Reference) As of March 31, 2021
<b>Assets</b>			<b>Liabilities</b>		
<u>Current assets</u>	683,628	612,402	<u>Current liabilities</u>	649,995	482,416
Cash and deposits	119,186	154,409	Notes payable-trade	14,309	6,968
Notes receivable-trade	8,075	6,351	Accounts payable-trade	230,427	206,100
Accounts receivable-trade	190,906	174,699	Short-term loans payable	289,173	154,811
Merchandise	34,196	160,026	Current portion of bonds	10,000	20,000
Advance payments-trade	16,586	10,383	Income taxes payable	10,893	1,030
Short-term loans receivable	109,410	59,817	Advances received	—	10,037
Other	205,342	46,799	Deposits received	62,941	62,859
Allowance for doubtful accounts	(75)	(83)	Provision for bonuses	5,131	2,540
			Other	27,118	18,067
<u>Noncurrent assets</u>	999,394	887,616	<u>Noncurrent liabilities</u>	572,635	597,437
<u>Property, plant and equipment</u>	15,638	15,758	Bonds payable	70,000	70,000
Buildings	5,162	4,497	Long-term loans payable	480,914	509,183
Land	9,021	9,567	Provisions for retirement		
Other	1,455	1,692	benefits	9,684	9,860
<u>Intangible assets</u>	15,411	9,568	Provision for delivery of		
Software	4,889	2,590	shares	567	310
Goodwill	1,292	1,203	Other	11,469	8,082
Other	9,229	5,775			
<u>Investments and other assets</u>	968,343	862,289	<b>Total liabilities</b>	1,222,630	1,079,853
Investment securities	136,424	111,659	<b>Net assets</b>		
Stocks of subsidiaries and			<u>Shareholders' equity</u>	416,252	397,434
associates	677,106	631,482			
Investments in capital of			<u>Capital stock</u>	160,339	160,339
subsidiaries and associates,	44,125	41,601	<u>Capital surplus</u>	155,503	155,271
etc.			Legal capital surplus	152,160	152,160
Long-term loans receivable	78,554	42,061	Other capital surplus	3,343	3,110
Bad debts	78,944	72,066	<u>Retained earnings</u>	131,656	97,677
Deferred tax assets	9,690	13,476	Other retained earnings		
Other	20,804	15,563	Retained earnings brought		
Allowance for doubtful accounts	(71,564)	(62,508)	forward	131,656	97,677
Allowance for investment loss	(5,742)	(3,113)	<u>Treasury stock</u>	(31,247)	(15,854)
<u>Deferred assets</u>	244	240	<u>Valuation and translation</u>		
Bond issuance cost	244	240	<u>Adjustments</u>	44,384	22,971
			Valuation difference on		
			available-for-sale securities	52,726	30,660
			Deferred gains or losses on		
			hedges	(8,341)	(7,689)
<b>Total assets</b>	1,683,267	1,500,259	<b>Total net assets</b>	460,636	420,405
			<b>Total liabilities and net assets</b>	1,683,267	1,500,259

## Non-consolidated Statement of Income

(Millions of yen)

Items	FY2021 (From April 1, 2021 to March 31, 2022)	(Reference) FY2020 (From April 1, 2020 to March 31, 2021)
Revenue	678,262	—
Cost of revenue	627,484	—
Net sales	—	2,334,428
Cost of sales	—	2,291,674
Gross profit	50,778	42,754
Selling, general and administrative expenses	62,022	55,990
Operating income (loss)	(11,244)	(13,236)
Non-operating income		
Interest income	3,553	2,448
Dividends income	69,480	52,951
Foreign exchange profits	1,097	1,144
Other	8,541	5,132
Total non-operating income	82,672	61,677
Non-operating expenses		
Interest expenses	6,711	7,605
Loss on valuation of derivatives	3,527	2,627
Other	5,645	2,862
Total non-operating expenses	15,884	13,095
Ordinary income	55,543	35,345
Extraordinary income		
Gain on sales of noncurrent assets	130	2
Gain on sales of subsidiaries and associates' stocks, etc.	11,503	178
Gain on sales of investment securities, etc.	3,768	3,279
Total extraordinary income	15,402	3,461
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	76	120
Impairment loss	348	82
Loss, and provision for loss, on dissolution of subsidiaries and associates	16,093	4,931
Loss on sales of investment securities, etc.	4	3
Loss on valuation of investment securities, etc.	1,328	90
Total extraordinary losses	17,851	5,229
Income before income taxes	53,094	33,577
Income taxes-current	5,154	(2,090)
Income taxes-deferred	(2,449)	(3,795)
Total income taxes	2,704	(5,885)
Net income	50,389	39,462

**Independent Auditor's Audit Report**

May 13, 2022

To the Board of Directors,  
Sojitz Corporation

KPMG AZSA LLC

Tokyo Office

Designated Limited Liability Partner  
Engagement Partner

Hiroaki Sugiura

Certified Public Accountant  
Designated Limited Liability Partner

Ryohei Tomita

Engagement Partner  
Certified Public Accountant

Designated Limited Liability Partner  
Engagement Partner

Daisuke Yamada

Certified Public Accountant

**Opinion**

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the notes to the consolidated financial statements of Sojitz Corporation (the "Company") for the fiscal year from April 1, 2021 through March 31, 2022.

In our opinion, the above consolidated financial statements present fairly, in all material respects, the financial position and results of operations of the corporate group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in compliance with accounting principles that omit some disclosure items required under the International Financial Reporting Standards as stipulated by the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

**Basis for the Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

**Other Descriptions**

Other descriptions comprise the business report and accompanying supplementary schedules. Management is responsible for preparing and disclosing other descriptions. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the execution of duties by Directors with respect to developing and operating the process for reporting other descriptions.

The scope of our audit opinion on the consolidated financial statements does not include other descriptions, and we do not express an opinion on the other descriptions.

In auditing the consolidated financial statements, we are responsible for reading through other descriptions and, in the process of reading them through, considering whether there are material discrepancies between the other descriptions and the consolidated financial statements or the knowledge we gained during the process of audit, and paying attention to whether there are any signs of material misstatement in the other descriptions apart from such material discrepancies.

If, based on the work performed, we judge that there is a material misstatement in other descriptions, we are required to report such a fact.

We have no matters to report with respect to the other descriptions.

### **Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles that omit some disclosure items required under International Financial Reporting Standards as stipulated by the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles that omit some disclosure items required under International Financial Reporting Standards as stipulated by the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.



- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles that omit some disclosure items required under International Financial Reporting Standards as stipulated by the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

### **Interest**

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

**Independent Auditor's Audit Report**

May 13, 2022

To the Board of Directors,  
Sojitz Corporation

KPMG AZSA LLC

Tokyo Office

Designated Limited Liability Partner  
Engagement Partner

Hiroaki Sugiura

Certified Public Accountant  
Designated Limited Liability Partner  
Engagement Partner

Ryohei Tomita

Certified Public Accountant  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Daisuke Yamada

**Opinion**

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules of Sojitz Corporation (the "Company") for the 19th fiscal year from April 1, 2021 through March 31, 2022.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

**Basis for the Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

**Other Descriptions**

Other descriptions comprise the business report and accompanying supplementary schedules. Management is responsible for preparing and disclosing other descriptions. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the execution of duties by Directors with respect to developing and operating the process for reporting other descriptions.

The scope of our audit opinion on the financial statements and the accompanying supplementary schedules does not include other descriptions, and we do not express an opinion on the other descriptions.

In auditing the financial statements and the accompanying supplementary schedules, we are responsible for reading through other descriptions and, in the process of reading them through, considering whether there are material discrepancies between the other descriptions and the financial statements and the accompanying supplementary schedules or the knowledge we gained during the process of audit, and paying attention to whether there are any signs of material misstatement in the other descriptions apart from such material discrepancies.

If, based on the work performed, we judge that there is a material misstatement in other descriptions, we are required to report such a fact.

We have no matters to report with respect to the other descriptions.

### **Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules**

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules**

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the

accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

### **Interest**

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

### **Audit Report**

With respect to the Directors' performance of their duties during the 19th fiscal year (from April 1, 2021 to March 31, 2022), the Audit & Supervisory Board has prepared this audit report after deliberations based on the audit reports prepared by each Audit & Supervisory Board Member, and hereby report as follows:

#### **1. Methods and contents of audit by Audit & Supervisory Board Members and the Audit & Supervisory Board**

- (1) The Audit & Supervisory Board has established the audit policies, assignment of duties, etc. and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors, etc. and the accounting auditor regarding the status of performance of their duties, and requested explanations as necessary.
- (2) In conformity with the Audit & Supervisory Board Members auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies, audit plans, and assignment of duties, etc., each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding with the Directors, the internal audit division and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and performed audits using the following methods.
  - (i) Each Audit & Supervisory Board Member has attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets at the head office and other principal business locations. With respect to the subsidiaries, each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding and exchanged information with the Directors and Audit & Supervisory Board Members, etc. of each subsidiary and received from subsidiaries reports on their respective businesses as necessary.
  - (ii) Each Audit & Supervisory Board Member regularly received reports on the status of the system and performance from the Directors and other employees and, as necessary, requested explanations for and expressed opinions on the status of the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties described in the business report complied with all laws, regulations and the Articles of Incorporation of Sojitz and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of the corporate group consisting of a joint stock company (kabushiki kaisha) and its subsidiaries, and the systems (internal control systems) based on such resolutions.
  - (iii) Each Audit & Supervisory Board Member monitored and verified whether the accounting auditor maintained its independence and properly conducted its audit, received a report from the accounting auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the accounting auditor that it had established a "system to ensure that the performance of the duties of the accounting auditor was properly conducted" (the matters listed in the items of Article 131 of the Rules of Corporate Accounting) in accordance with, among other things, the "Quality Control Standards for audit" (Business Accounting Council, October 28, 2005), and requested explanations as necessary. For major audit considerations, we discussed these matters with the accounting auditor, received reports on the status of audit implementation, and requested explanations as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the business report and the supplementary schedules thereto, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and notes to the non-consolidated financial statements) and the supplementary schedules thereto, as well as the consolidated financial statements (consolidated statement of financial position, consolidated statements of profit or loss, consolidated statements of changes in equity, and notes to the consolidated financial statements), for the fiscal year under consideration.

## 2. Results of Audit

### (1) Results of audit of Business Report, etc.

- (i) We acknowledge that the Business Report and the supplementary schedules thereto fairly present the status of Sojitz in conformity with the applicable laws and regulations and the Articles of Incorporation of Sojitz.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of Sojitz was found with respect to the Directors' performance of their duties.
- (iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents of the business report concerning the internal control systems and the Directors' performance of their duties.

### (2) Results of audit of the non-consolidated financial statements and their supplementary schedules

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

### (3) Results of audit of the consolidated financial statements

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

May 13, 2022

Sojitz Corporation Audit & Supervisory Board  
Full-time Audit & Supervisory Board Member  
Full-time Audit & Supervisory Board Member  
Outside Audit & Supervisory Board Member  
Outside Audit & Supervisory Board Member  
Outside Audit & Supervisory Board Member

Masaaki Kushibiki  
Takehiro Honda  
Kazunori Yagi  
Michiko Nagasawa  
Kazuhiro Yamamoto

