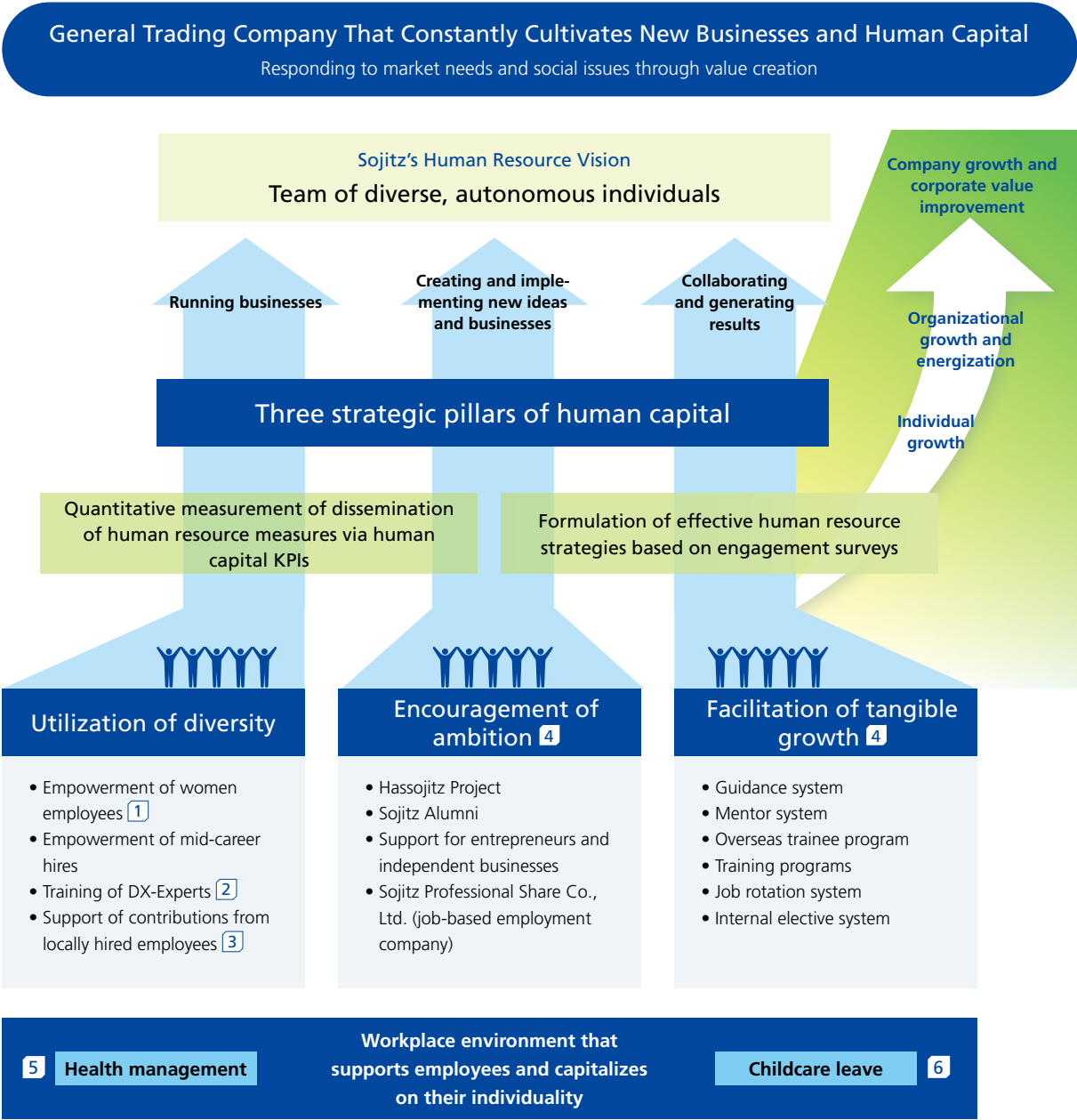


Sojitz's Unique Approach Toward Human Capital Management

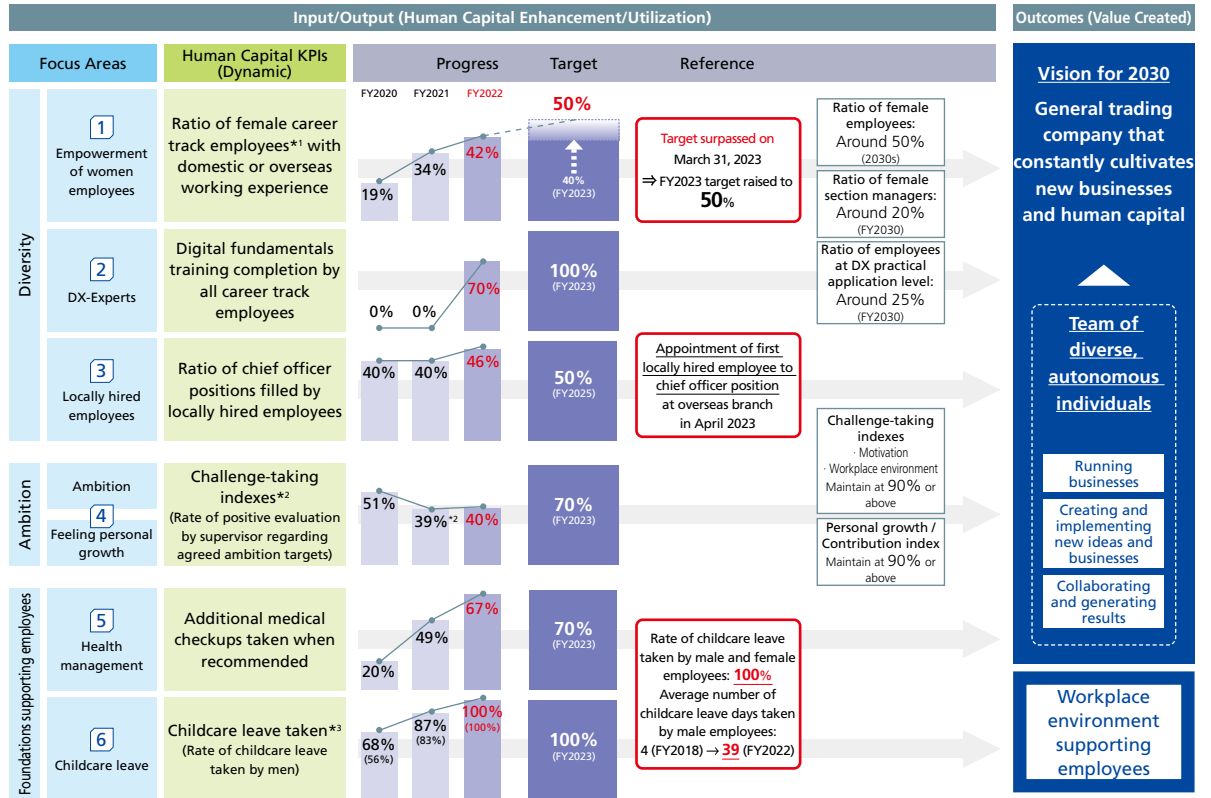
Human Resource Strategies Tied to Management and Business Strategies

Sojitz's most important form of capital, a central component to its value creation, is human capital. It is for this reason that we practice human capital management in pursuit of improvements to corporate value. This approach entails maximizing the capabilities of our human resources to assemble a team of individuals who are capable of transforming themselves to create new value. Guided by the belief that the growth of a team of diverse, autonomous individuals will contribute to value creation, we have defined three strategic pillars of human capital: utilization of diversity, encouragement of ambition, and facilitation of tangible growth. By tying human resource strategies to management and business strategies, Sojitz is committed to the creation of distinctive value through development of a team of diverse individuals adept at adapting to the changing operating environment and the enhancement of organizational capabilities by connecting individuals via communication.



Human Capital KPIs for Creating Value

Sojitz has established dynamic human capital key performance indicators (KPIs) that can be flexibly revised based on changes in the degree of dissemination of human resource measures and in the operating environment.



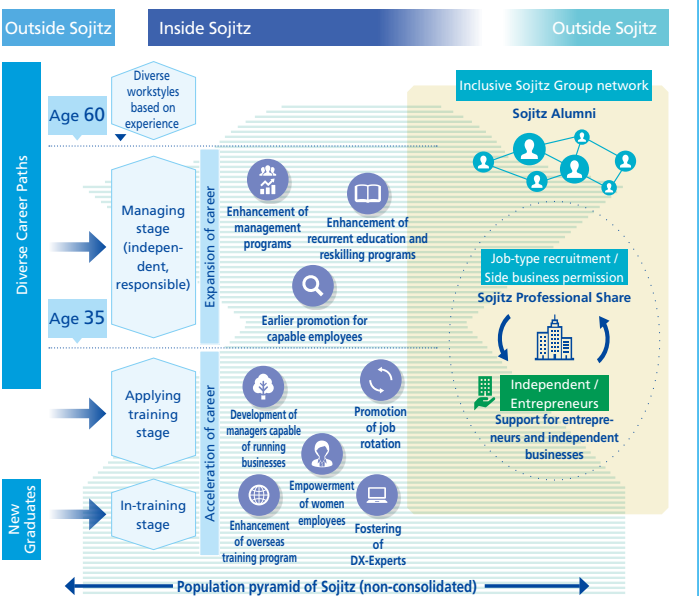
*1 Ratio of female career track employees at Sojitz (non-consolidated) who have domestic/overseas secondment, stationing, or trainee experience
*2 Ambition targets used in annual evaluation processes set on a voluntary basis in the year ended March 31, 2021 (prior to establishment of human capital KPIs) but required of all career track employees from the year ended March 31, 2022
*3 Ratio of employees who took childcare leave based on the Child Care and Family Care Leave Act in addition to our childcare leave system at Sojitz (non-consolidated)

Value Creation through Inclusive Sojitz Group Network

Sojitz is developing a workplace environment that transforms diversity into competitiveness and incorporates new ideas and opinions in an effective and multifaceted way to create value.

Not bound to past conventions, such as lifetime employment and seniority based on years of service, our corporate culture is built on the concept of helping employees pursue their desired careers while ensuring high levels of motivation in a workplace environment that attracts diverse and ambitious human resources and encourages them to pursue mutual growth.

In addition, we offer a platform for creating new business opportunities and promoting open innovation, in a manner that is not limited to our existing business domain, through networking among current members of Sojitz as well as former members who continue business or social contribution activities even after leaving the organization. The Sojitz Group has also established a job-based employment company that helps employees further their diverse career goals and life plans. Employees working at this company use their skills and experience inside and outside of the Group to create value.



Utilization of Diversity

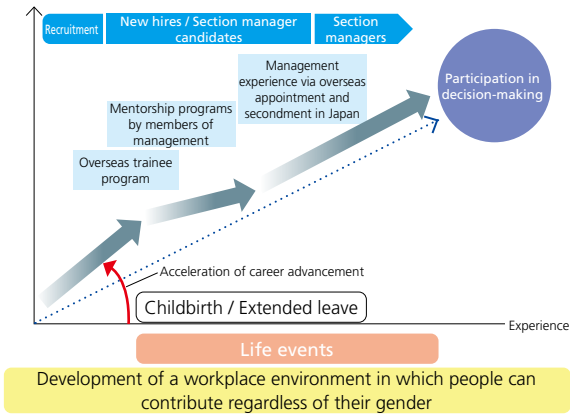
Empowerment of Women Employees

Having established a dedicated organization for promoting diversity management, Sojitz is advancing efforts from a medium- to long-term perspective to develop a workplace environment in which contributions by female employees are commonplace. Moreover, we are bolstering our 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 decision-making. These efforts have led to steady improvements in human capital KPIs related to the empowerment of women employees. In addition, the Company has appointed two female executive officers,* one an individual recruited from outside of the organization for her specialized insight and experience and the other an equally talented individual promoted from within.

However, there are still a number of issues Sojitz must overcome with regard to its pipeline for human resources who can contribute to management decision-making. For example, the ratio of female career track employees with domestic or overseas working

experience is primarily a product of employees dispatched on short-term trainee programs at the moment. Up until now, we have proceeded to dispatch junior female career track employees on such programs to accelerate the advancement of their careers, out of consideration of the life events they may undergo in the future. Going forward, it will be important to ensure that there are no gender disparities in the opportunities we provide to gain experience in management at domestic and overseas operating companies. Management is currently discussing how to design the systems for balancing work with life events provided to overseas dispatches in order to eliminate such disparities.

* Sojitz had one female executive officer and one female managing executive officer as of July 31, 2023.



Initiatives in FY2022

- Emphasis on new graduate and mid-career recruitment drives for female career track employees
- Appointment of female employees to management positions
- Increasing ratio of junior female career track employees with domestic or overseas working experience (acceleration of career advancement)
- Mentorship programs by members of management for female career track employees around the age of 30
- Career discussion forum led by female outside director

Women's Empowerment Targets and Progress

Ratios of women employees among:		FY2020	FY2021	FY2022	Medium-Term Management Plan 2023 Targets (FY2023)	FY2030 Targets	2030s
Human Capital KPIs	Section managers	8.6%	9.1%	12%	10% or more	Approx. 20%	
	Section manager candidates	12%	12%	14%		Approx. 30%	
	New hires (career track)	32%	44%	34%*	Maintain at 30% or above		
Long-term Perspective	All employees	28%	29%	31%			Approx. 50%

* Ratio for employees who joined on April 1, 2023

Cultivation of Future Management Candidates through Opportunities to Acquire Diverse Experience

Looking at Sojitz Corporation on a non-consolidated basis, the ratio of employees in the age groups associated with mid-rank employees and section managers is low. In addition, the ratio of career track employees with domestic or overseas working experience is lower for women than it is for men. This situation is thought to be a result of the life events that women may go through. However, the Company's engagement surveys have revealed that a large portion of female career track employees desire to go on overseas assignments early in their careers and have relatively high appetites for growth. Based on this revelation, Sojitz is working to accelerate the career advancement of such employees by providing them with diverse opportunities to grow into future management candidates. At the same time, we have been ramping up recruitment of mid-career individuals, leading the ratio of such individuals in management positions to reach around 20% as of March 31, 2023.



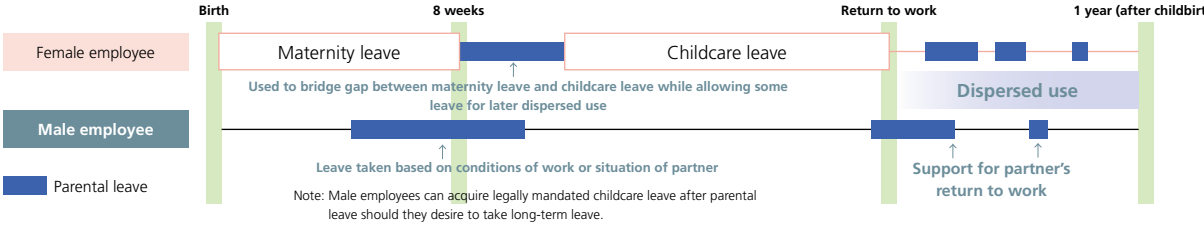
Rira Tamori
Retail Business Department 2
Retail & Consumer Service Division
(Rira Tamori joined Sojitz as a mid-career recruit in 2008.)

When I joined Sojitz, I was the only female career track employee in the Ferroalloys Department. This situation was a great source of pressure as I felt that, if I were to mess up, it might ruin any future opportunities for women who came after me. Even feeling this pressure, I continued to push ahead with the projects to which I was assigned, working together with diverse partners from Japan and overseas and gaining experience along the way. This process helped me shape a career path that was suited to me. Today, Sojitz's corporate culture has evolved to encourage the ambitions of all employees, and a workplace environment has been put in place to support such ambitions, regardless of an employee's gender. I have experience in both business and functional divisions, and I hope to practice management in a way that allows me to use the insight gained through my experience to contribute to the organization while encouraging the ambitions of others.

Parental Leave for Supporting Contributions by Diverse Employees

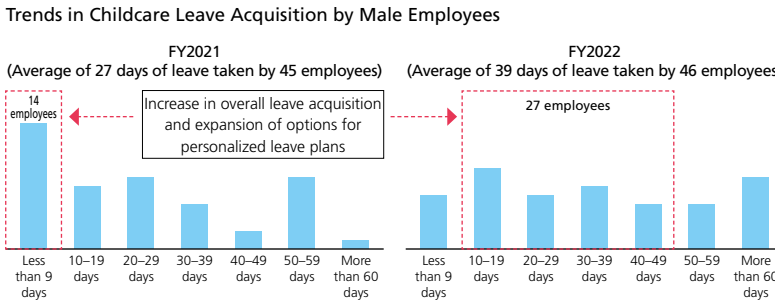
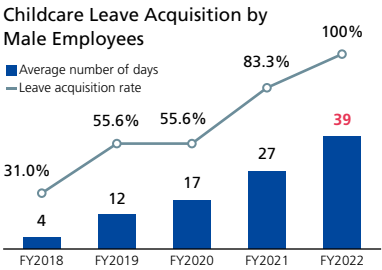
In April 2022, Sojitz introduced a parent leave system under which both male and female employees are entitled to take paid leave for a maximum of 40 days, that can be acquired freely at any time, during the period up until the child turns one year old. This system makes it easier for male employees to continue working while still participating in caring for children by, for example, taking leave outside of busy periods in cases when long-term leave might not be feasible. In addition, female employees are able to use this leave during the maternity leave period offered 8 weeks following childbirth or in a dispersed manner after returning to work.

Parental Leave Usage Examples



Encouragement of Participation in Child-Rearing by Male Employees

Sojitz has been actively encouraging male employees to take childcare leave and participate in child-rearing. As a result, the ratio of applicable male employees taking childcare leave was 100% in the year ended March 31, 2023. We recognize that fostering a supportive workplace environment in which employees are able to balance their work with child-rearing, regardless of their gender, is imperative to creating a corporate culture in which female employees can continue to contribute with no need to halt their careers for childbirth, child-rearing, or other life events.



Comment from Childcare Leave Participant and His Supervisor



Weixun Zhao, Business Accounting Department (left)
I took a total of 51 days of childcare leave, three days a week. This is how I managed to maintain a good work-life balance. I was able to support my wife while still maintaining a presence at work. I am really appreciative of my coworkers and how they supported me throughout this process.

Kunihiro Ishii, Section Manager, Business Accounting Department (right)
Mr. Zhao was in charge of an important project when it came time for him to take childcare leave. We laid out some clear policies and split tasks among other members of the department to make sure that Mr. Zhao could continue to head up this project. This experience really made me feel how a proactive stance toward helping men take childcare leave while continuing to work can drive the growth of both the leave participant and his organization.

Development of a Workplace Environment in Which Employees Are Motivated and Can Continue to Succeed

We recognize that our management strategies can only be successfully implemented when our employees are in good physical and mental health and are offered a comfortable workplace environment. For this reason, the president is leading a team tasked with developing a workplace environment in which employees are motivated and can continue to succeed. In addition, health management has been positioned as a management strategy.

Included in "White 500" of the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program
In 2023, Sojitz was selected for inclusion in the White 500 (large enterprise category) of the Certified Health & Productivity Management Outstanding Organizations Recognition Program, organized jointly by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi. This is our fourth time being included in this selection. Sojitz's inclusion was a reflection of the high evaluation of how members of the Company's management play an active role in health and productivity management, which has been positioned as an important management theme, as well as its promotion of health and productivity management understanding among employees and its verification and improvement of related initiatives. A specific area applauded was our efforts to address healthcare issues that are unique to women. Examples of these initiatives include the following.

- Provision of cervical cancer and breast cancer screening to employees of all ages
- Appointment of gynecology specialists to in-house clinics
- Coordination with Cradle Inc. to arrange online seminars led by physicians and specialists and provide support for infertility treatment



Sojitz has been included in the 2019, 2020, 2021, and 2023 selections of the Certified Health & Productivity Management Outstanding Organizations Recognition Program.

Utilization of Diversity

Support of Contributions from Locally Hired Employees

Sojitz is focused on increasing the number of chief officer positions and other management positions filled by locally hired employees with the goal of better entrenching its operations, centered on overseas operating companies, into local networks in order to expand its business domain and co-create new businesses. In the year ended March 31, 2022, the ratio of overseas chief officer positions filled by locally hired employees was 40%, and we have set the target of raising this ratio above 50% by the year ending March 31, 2026. By exercising a market-oriented perspective and practicing co-creation and sharing, we aim to strengthen coordination across the Sojitz Group's network and thereby create value. Accomplishment in this regard includes the following.

- 46% rate of chief officer positions filled by locally hired employees as of March 31, 2023
- Arrangement of an advisory board meeting with attendance by the chief officers of operating companies in the Americas in 2022
- Organization of a regional committee meeting with participation by representatives of operations in Europe in 2022 (23 participants from 10 European countries)

I have had the pleasure of meeting and working with talented people throughout the Americas. Now as I take up my new role as CAO, I will champion policies and practices that provide opportunities for talent development and career enhancement for my colleagues. I was seconded to the head office from 2014 to 2017, and this experience allowed me to understand the Japanese decision-making process and how Japanese people work. I would like to contribute to the expansion of business in the Americas region by connecting the head office and our local employees through communication, utilizing my experience both in Japan and domestically.

I believe that by enhancing the strength of each region, the strength of the Sojitz Group will improve as a whole. We will achieve this by driving market-oriented initiatives and advancing collaboration. Within the Americas, we will continue to empower our local offices and companies to promote and pursue further business opportunities.

Julian Gomez
CAO for the Americas
CAO, Sojitz Corporation of America



Encouragement of Ambition

Hassojitz Project

The Hassojitz Project is a new business creation project launched in 2019 based on a suggestion by President Masayoshi Fujimoto. This project functions as one of our unique frameworks for creating distinctive Sojitz value that contributes to the pursuit of new ambitions and the implementation of new ideas. We are continuing this project with the goal of fostering employees' abilities to plan for the future and to practice strategic thinking.

In the year ended March 31, 2023, the fifth year of this project, the various business ideas proposed have begun to produce results. For example, the wireless charging system for commercial electric vehicles that was presented with an award from the president in the first year of the project has become the first in Japan to obtain vehicle registration. Verification tests of vehicles using this system have commenced on public roads. This initiative has also led to investment in electric vehicle start-up company ASF Co., Ltd., as well as to the development of a unique charging control (auto charging) system for electric vehicles that offers a high degree of convenience to users. In this manner, we are branching out from this initiative as part of an integrated approach toward new business development.

Around 200 employees have taken part in the Hassojitz Project over the period from 2019 to 2022, helping entrench a corporate culture emphasizing cross-organizational collaboration.

Furthermore, managers with diverse backgrounds act as team facilitators to help transform unfettered ideas into new businesses, and advice is solicited from former Sojitz employees (Sojitz Alumni members) and from external experts to guide the process of commercializing such ideas. In the year ended March 31, 2022, Sojitz began having students to whom it has extended employment offers participate in the Hassojitz Project as part of their onboarding training. These individuals have presented unique ideas formulated from their perspectives as students. Employees working in fields that relate to the proposals help the student teams refine their ideas.

In addition, Hassojitz Project participants are dispatched to external incubation programs and utilize Sojitz's broad internal and external networks to refine and enhance their ideas with the goal of accelerating innovation. The Hassojitz Project will continue to be advanced as a means of fostering an entrepreneurial spirit and cultivating individuals who can exercise autonomy in creating businesses.

Hassojitz Project Concepts



Team that received the president's award for its successful efforts in the Hassojitz Project for the year ended March 31, 2023



Artist's rendering of ASF vehicle used for verification test of wireless charging system for commercial electric vehicles

Facilitation of Tangible Growth

Data-Driven Organization's Cultural Reforms

In order to create a workplace environment that maximizes employees' potential, we use a number of internal surveys to gather input from our employees and to advance human resource measures through a data-driven approach. By utilizing the data gained from such surveys, we aim to foster an open organizational environment while heightening employee ambition and strengthening organizational capabilities. Moreover, the responses for certain engagement survey questions are disclosed internally and externally as dynamic human capital KPIs and also are used to determine officer remuneration and guide human capital management initiatives.

Engagement Surveys

Sojitz conducts engagement surveys to build greater trust between employees and their organizations and thereby heighten engagement. In order to gain a better understanding of conditions within the Company, we have introduced our unique questions under the guidance of an external specialist. Moreover, neutral responses to multiple choice questions have been eliminated to improve the accuracy of analyses and to paint a better picture of the actual opinions of frontline employees. These surveys are helping to generate a positive cycle of invigorating communication, leading to discussion on how to advance strategies and accomplish the Company's goals and thereby fostering a culture of encouraging others' ambitions.

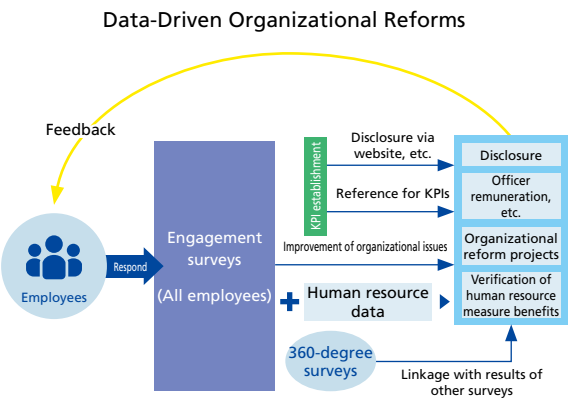
Organizational Reform Projects

The results of engagement surveys are employed on a Companywide basis to perform analyses based on specific organizations and other groupings to guide the advancement of organizational reform projects aimed at improving individual organizations.

Project owners (heads of organizations) and action leaders are assigned at each workplace, and the action leaders play a central role in guiding analyses of survey data and improvement activities and expanding these activities throughout their organizations. Data is shared to allow for analyses to be conducted from a variety of angles, including by age, gender, and job type, and these analyses are used to enhance the PDCA (plan-do-check-act) cycle for workplace improvement activities.

360-Degree Surveys

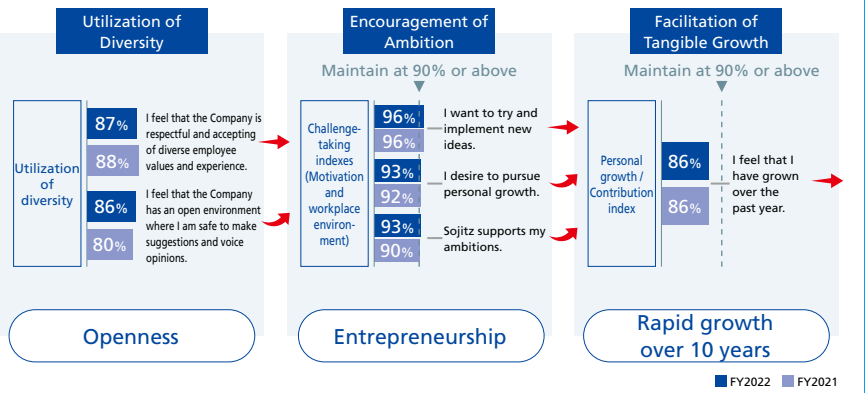
Sojitz conducts 360-degree surveys to provide management with input from a variety of angles, including input from superiors, coworkers, and subordinates. These surveys are designed to help members of management make new discoveries about their everyday actions to help them change their approach as necessary while contributing to workplace environment improvements and enhanced organizational capabilities. Surveys are constantly being refined, with past improvements including alterations to questions based on the expected role of each position and the addition of questions related to communication between supervisors and subordinates and the ability to drive change within an organization and in its processes to improve productivity.



Essence of Sojitz's Culture Revealed through Engagement Surveys

Sojitz began conducting employee engagement surveys in 2017. Unique questions have been introduced under the guidance of an external specialist for the purpose of gaining a better understanding of conditions within the Company that can be used to guide effective human resource strategies. The results of the surveys are analyzed on a Companywide basis, and this information is utilized to shape improvement activities. The survey conducted in the year ended March 31, 2022, had a response rate of 91% whereas the response rate for the survey administered in the year ended March 31, 2023, was 99%.

In April 2023, Sojitz launched the Pursuit of Sojitz's Uniqueness Project, a project involving the entire Company, to further it along the path toward its vision for 2030. We seek to assess the current situation from the perspectives of the present and the future and management and all other personnel in order to foster a corporate culture that is distinctly Sojitz.



Acceleration of Human Capital Management

Message from the COO of the Human Resources Department



Masakazu Hashimoto

Managing Executive Officer
COO, Human Resources Department

Since joining the Company in 1990, Masakazu Hashimoto has continued to be involved in areas related to machinery and infrastructure. After serving as COO of the Infrastructure & Healthcare Division, he assumed the position of COO of the Human Resources Department and the General Affairs & IT Operation Department in April 2022. Hashimoto is leading our human resource strategies in this capacity.

Individuals, Organizations, Cultures, and Data Forming Sojitz's Unique Foundations for Human Capital Management

Human resources are the central and most important form of capital used in Sojitz's value creation activities. Based on this belief, we practice human capital management with the goal of fully drawing out and synergizing the strengths of individuals in order to drive the improvement of Sojitz's medium- to long-term corporate value. Having defined our vision for 2030 as becoming a general trading company that constantly cultivates new businesses and human capital, we have laid out a human resource strategy composed of the three strategic pillars of human capital: utilization of diversity, encouragement of ambition, and facilitation of tangible growth. Based on these pillars, we are advancing concerted Companywide initiatives shaped by the understanding that the growth of a team of diverse, autonomous individuals will contribute to the growth of organizations and the Company and ultimately to the improvement of corporate value.

In recent years, increasing attention has been devoted toward the connection between human resource strategies and corporate value as well as toward investment in human resources. This attention has been generated by the trend toward framing people, not based on the traditional view of human resources as a "resource to be managed," but rather, as a form of "capital to be fostered via investment" in order to create value. This idea of human capital is informed by the ITO Report for Human Capital Management as well as by indicators for tracking non-financial information. Taking a backcasting approach from our vision for 2030, we seek to identify and analyze elements that might contribute to management issues. The understanding gained through this process is used to track our improvements for closing the gap between the targets for our human capital KPIs and the reality at the Company as well to accelerate various initiatives for tying the value created by our people to financial value. Sojitz's unique approach to human capital management is founded on frequent discussions between the president, other members of management, and representatives from business and functional divisions that delve into the challenges of human resource strategies, the progress of measures, and measurements of the benefits. Through this process, we aim to develop human resources who can ensure the success of our management strategies.

Specifically, Sojitz established its dynamic human capital KPIs in June 2021 and began disclosing information on annual changes in relation to these KPIs, based on quantitative data, to both internal and external data. This proactive disclosure has led to improved quality in internal communication while also increasing the range of opportunities for us to receive input from external stakeholders, which is used to revise our measures deemed necessary. "Human resources" is also an important theme discussed at the intensive discussion session, a management retreat that sees participation from outside directors and all other members of management. A great amount of time is devoted to this subject at these retreats, and we also regularly discuss this subject at meetings of the Board of Directors. By engaging such discussions to incorporate a wide variety of perspectives, we aim to ensure that our human resource strategies are highly effective.

Reforms to the culture of our organization are imperative to achieving our vision. Increased trust, and subsequently higher engagement, between human resources and organizations is anticipated to enhance the quality of internal initiatives (inputs). This, in turn, is expected to invigorate communication and discussion regarding the advancement of our strategies and the accomplishment of our goals, thereby giving rise to a culture of encouraging the ambitions of others. To facilitate such improvements to our culture, we solicit employee input through engagement surveys and discussion forums and use this input to implement organizational reform projects as part of ongoing data-driven initiatives advanced together with frontline workplaces.

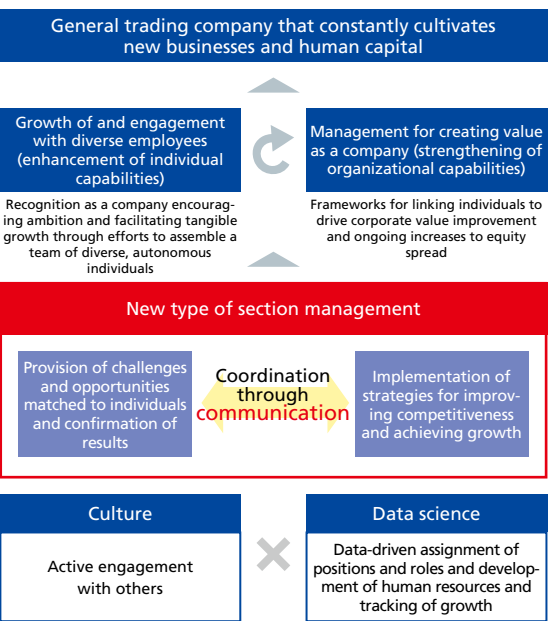
We currently find ourselves in an era of uncertainty and constant change. In this era, it is important that we move away from the prior approach of searching for the right path to instead identify and define issues and enhance our ability to address said issues. We have implemented a number of human resource initiatives over the years. These initiatives should not be seen as isolated efforts but rather as mutual complementary parts of a larger campaign. Based on this view, we must communicate to stakeholders, in a concise yet compelling manner, how these efforts will contribute to corporate value (outcomes). We still have a ways to go, but I am committed to ensuring that our human resource strategies will help us accomplish the goals of management.

Our Next Approach on the Path Toward 2030

Management has been engaged in an ongoing process of discussion with other members of Sojitz on the directives for how the Company should approach the next stage on its path toward 2030. Through this series of discussions, it was determined that a team of diverse, autonomous individuals must continue tackling new challenges and drawing out the full potential of individuals to fuel the ongoing creation of value as a company. Based on this recognition, it was concluded that we should entrench a culture of active engagement among employees while assigning each employee the ideal position and role, effectively developing human resources, and offer fair, impartial, and balanced assessments. Through this process, Sojitz will seek to provide employees with greater feelings of tangible growth while also heightening its own competitiveness. Moreover, we intend to introduce new human resource systems under the next medium-term management plan to stimulate the further growth of Sojitz.

The source of value creation for a general trading company is the connections it forms through frontline business sites and its network. These connections are made by section managers, a middle management position. I suspect that the role of such middle managers will become increasingly more important in the future. If middle managers, however, continue fulfilling their traditional role, we will be unable to grow into an organization that can expand beyond its own confines. This is why we look to entrench a new approach toward management. This approach will entail pursuing both quantitative and qualitative improvements to communication, providing individuals with opportunities that suit them, tracking their growth, and implementing compelling strategies based on the Sojitz Group slogan of "New way, New value." Engagement surveys have illustrated how communication is imperative to fully drawing out the potential of one's subordinates and in providing them with feelings of tangible growth. Based on these findings, organizational standards were revised to limit the number of people in a given section to 10 in order to facilitate more frequent communication between section managers and their staff.

In the volatile operating environment, it is also imperative for us to link our management, business, and human resource strategies, flexibly allocate human resources, and build resilient management structures. To this end, we are taking steps to enhance our pool of management personnel by identifying candidates for core positions in Group management and developing their skills through selective and other training programs. Moreover, human resource strategy representatives referred to as "human resource business partners" have been appointed in various business divisions in order to strengthen the capacity of frontline organizations to advance self-propelled initiatives. Through coordination between the Human Resources Department and human resource business partners cognizant of the perspectives both of the Company overall and of



specific business divisions, we aim to advance human resource development and position employees in their ideal roles in a cross-organizational, Companywide manner. Engagement surveys (see page 63) have found that Sojitz is a company in which employees can chase their ambitions and experience feelings of tangible growth. Looking ahead, we hope to entrench a culture of actively engaging with others while accelerating initiatives that begin from the lower or middle ranks of the Company and flow upward from there. At the same time, we will disseminate new human resource systems tailored to Sojitz's future aspirations in our efforts to continue to encourage employee ambition and facilitate tangible growth. In preparation for the next medium-term management plan, we will work to help employees understand their personal role in our initiatives as we seek to bolster the capabilities of both individuals and organizations. As we enhance the Company's inputs in this manner, we will seek to achieve better outcomes through improvements to productivity and corporate value while continuously promoting Sojitz's unique approach toward human capital management to inspire our people to transform the Company.

Synergies Generated by Individuals

In 2021, Sojitz partnered with Vietnam Livestock Corporation JSC, a member of the Vinamilk Group, a major Vietnamese dairy product manufacturing conglomerate, to establish Japan Vietnam Livestock Co., Ltd., as a joint venture company. This company will combine the Vinamilk Group's local operating foundation in Vietnam, which allows it to reliably procure Holstein bulls and cows that can no longer be milked, with Sojitz's meat processing technologies. A team of individuals well versed in the relevant fields were assembled from divisions across the Company to undertake the task of creating a market for this company in Vietnam. The members of this team, with their diverse backgrounds and strengths, are working together with local partners to generate synergies between their respective knowledge, skills, and expertise as they prepare for the full-fledged operation of the joint venture's production facilities.



See "Value Creation Story" on page 26.