

Corporate Governance Report

CORPORATE GOVERNANCE

Sojitz Corporation.

Last Update: **December 22, 2025**

Sojitz Corporation

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Please note that this document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The corporate governance of Sojitz Corporation (the “Company”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

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 striven 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. Based on this concept, since June 2020, Sojitz has had an independent Director serve as Chair of the Board of Directors and appointed a majority of the Nomination Committee and the Remuneration Committee as independent Directors. Furthermore, in June 2023, Sojitz appointed a majority of the Board of Directors as independent Directors. In June 2024, Sojitz transitioned from a Company with Audit and Supervisory Board to a Company with Audit and Supervisory Committee in order to strengthen the supervisory function of the board of directors by appointing Audit and Supervisory Committee Members, who are responsible for auditing the execution of duties of Directors, as members of the Board of Directors as well as to accelerate decision-making by delegating authority from the Board of Directors to Executive Directors and Executive Officers. Through these changes, Sojitz has been committed to ensuring management transparency and strengthening its corporate governance system.

Under this structure, we will enhance the quality and speed of our management decisions and improve the corporate value of the Group in a constantly changing business environment.

Reasons for Non-compliance with the Principles of the Corporate Governance Code

This report is written based on the revised Corporate Governance Code from June 2021.

Sojitz implements all principles in accordance with those established in the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code

All of the General Principles, Principles, and Supplementary Principles (83 in total), including items to be disclosed in line with all principles of the Corporate Governance Code, are listed at the end of this report as “Sojitz’s Approach to Corporate Governance Code Principles.”

■ Implementation status of shareholder dialogues

Please refer to “2. IR Activities” in Section III of the Corporate Governance Report along with Principle 5-1 and Supplementary Principle 5-1①② included in the section entitled “Sojitz’s Approach to Corporate Governance Code Principles” found at the end of the Corporate Governance Report.

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update	June 18, 2025

Explanation of Actions

We have set the vision of Sojitz in 2030 as “Becoming a general trading company that constantly cultivates new businesses and human capital,” and as the Next Stage, we aim to grow to a net profit of ¥200.0 billion and a market capitalization of ¥2 trillion. The Medium-term Management Plan 2026 is designed to strengthen the base of growth and human capital in preparation for the Next Stage.

We have set three specific quantitative targets in the Medium-term Management Plan 2026. First, we will invest ¥600.0 billion for future growth, while maintaining financial discipline. Second, we will aim to increase corporate value and shareholder value by achieving a ROE of over 12%, which is higher than the 9-10% cost of shareholders' equity that we recognize over a three-year average, and a net profit of over ¥120.0 billion. Third, approximately 30% of core operating cash flow will be used for shareholder returns.

For further details, please refer to Principle 3-1 and Principle 5-2 included in the section entitled “Sojitz’s Approach to Corporate Governance Code Principles” found at the end of the Corporate Governance Report.

2. Capital Structure

Foreign Shareholding Ratio

20% or more but less than 30%

Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (trust accounts)	39,663,800	18.70
Custody Bank of Japan, Ltd. (trust accounts)	15,557,750	7.33
JAPAN SECURITIES FINANCE CO., LTD.	4,290,430	2.02
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	3,977,118	1.87
The Nomura Trust and Banking Co., Ltd. (trust accounts)	3,631,100	1.71
STATE STREET BANK AND TRUST COMPANY 505001 (Standing agent: Mizuho Bank, Ltd.)	3,088,775	1.46
STATE STREET BANK AND TRUST COMPANY 505103 (Standing agent: Mizuho Bank, Ltd.)	2,853,585	1.35
JPMorgan Securities Japan Co., Ltd.	2,771,260	1.31
STATE STREET BANK WEST CLIENT – TREATY 505234 (Standing agent: Mizuho Bank, Ltd.)	2,702,820	1.27
THE BANK OF NEW YORK MELLON 140044 (Standing agent: Mizuho Bank, Ltd.)	1,761,820	0.83

Name of Controlling Shareholder, if applicable
(excluding Parent Companies)

Name of Parent Company, if applicable

Supplementary Explanation

1. Above is the status of major shareholders as of March 31, 2025.
2. Of the above number of shares held, the number of shares related to trust business is as follows.

The Master Trust Bank of Japan	39,463 thousand shares
Custody Bank of Japan, Ltd.	15,540 thousand shares
The Nomura Trust and Banking Co., Ltd.	3,631 thousand shares
3. The number of shares held by each shareholder is no longer aggregated with the trust account, etc.
4. The shares outstanding are calculated excluding the number of shares of treasury stock.

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Wholesale Trade
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	300 or more

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have a Material Impact on Corporate Governance

(1) Approach and Policies Related to Group Management

As a general trading company, Sojitz Group is engaged in a wide range of business on a global scale. Sojitz seeks to maximize two types of value through its business activities - “value for Sojitz” and “value for society” - in order to “create value and prosperity” as set forth in the Sojitz Group Statement.

(2) Policy and Merit in Ownership of Listed Affiliates

As of March 31, 2025, Sojitz Corporation does not own any listed subsidiaries, either in Japan or overseas. Sojitz holds stake in three listed affiliates in Japan (SAKURA internet Inc., Fuji Nihon Corporation, and ROYAL HOLDINGS Co., Ltd.) and one listed affiliate overseas (PT. Puradelta Lestari Tbk). By leveraging enhanced synergy made possible through utilization of shared management resources, Sojitz aims to achieve mutual improvement of corporate value together with these companies.

The merits of having listed affiliates include potential business expansion and access to new business opportunities and client base due to the company’s brand recognition and credibility, as well as the ability to secure talented human capital and enhance employee engagement. Demerits include the management limitations caused by the affiliate companies’ obligation to consider the interests of shareholders other than Sojitz. Despite the associated disadvantages, we believe that there is sufficient rationale in having listed affiliates to maximize Sojitz Group’s corporate value through factors including the enhanced business synergy achieved by leveraging each company’s individual strengths.

The role of each of these Japan-based listed affiliates within Sojitz Group’s corporate strategy is as follows.

1. SAKURA internet Inc.

SAKURA internet offers cloud computing and IoT services through its domestically operated data centers. In 2023, SAKURA internet became the only Japanese domestic provider to receive government certification (contingent on technical requirements) of its cloud service. By combining SAKURA internet's cloud infrastructure with Sojitz's market-building capabilities, the partnership will be able to provide services to a broader range of customers. Sojitz aims to improve the corporate value of both companies by fostering value creation through a "Digital in All" approach that includes both the digital transformation (DX) of Sojitz's existing businesses as well as the launch of new business initiatives.

2. Fuji Nihon Corporation

Fuji Nihon Corporation is engaged in the manufacture and sale of refined sugar and other sugar-related products and aims to enrich the lives and diets of consumers through its business. Sojitz is involved in both raw materials supply and product sales with Fuji Nihon Corporation, making the company a key partner for Sojitz's food products business. Sojitz aims to integrate Fuji Nihon Corporation's food product manufacturing technology and food science expertise with Sojitz's business networks and knowledge base in order to improve the corporate value of both companies.

3. ROYAL HOLDINGS Co., Ltd.

ROYAL HOLDINGS possesses a strong business foundation and operates five business segments: the restaurant business, contract food service business, in-flight catering business, hotel business, and food manufacturing business. Sojitz is involved in the retail business both in Japan and overseas and has a presence in the aerospace business and real estate business. Through this partnership, Sojitz aims to integrate its business network and expertise with ROYAL HOLDINGS' existing customer base and business model in order to raise the corporate value of both companies.

(3) Policy for Ensuring Effectiveness of Governance System for Listed Affiliates

Sojitz respects the independence of management at its listed affiliates in order to protect the interests of minority shareholders. In doing business with these companies, Sojitz takes steps to avoid conflicts of interest and exercises its voting rights with the intent of maximizing business synergy and realizing long-term mutual enhancement of corporate value.

(4) Agreements Regarding Approaches and Policies Related to Group Management

When concluding contracts with listed affiliates regarding Group management-related approaches and policies, Sojitz ensures that all agreements are created in line with the aforementioned policies, that Sojitz respects the independence of the listed affiliate's management, and that Sojitz prevents conflicts of interest from arising.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Supervisory Committee
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Directors

Number of Directors Stipulated in Articles of Incorporation	12
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Outside Director
Number of Directors	11
Election of Outside Directors	Elected
Number of Outside Directors	6
Number of Independent Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Tsuyoshi Kameoka	From another company								△			
Ungyong Shu	From another company											
Yumiko Jozuka	Other								△			
Haruko Kokue	From another company								△			
Satoko Suzuki	CPA											
Kazuhiko Takeda	From another company								△			

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- Person who executes business for the Company or its subsidiary
- Person who executes business for a non-executive director of the Company's parent company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/company auditor
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
- Other

Outside Directors' Relationship with the Company (2)

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Tsuyoshi Kameoka	-	○	<p>Transactions between Idemitsu Kosan Co., Ltd., at which Mr. Tsuyoshi Kameoka served as Representative Director, Vice Chairman and Executive Officer until June 2020, and Sojitz in the most recent fiscal year were less than 1% of consolidated sales revenue of said company and less than 1% of consolidated revenue of Sojitz.</p> <p>Mr. Kameoka served in an advisor role to the Company between September 2022 and March 2023 for which he received remuneration; however, the remuneration amount was below the independence standards amount defined in Sojitz's Independence Standards for Independent Directors. Furthermore, the remuneration was paid as compensation for advice he provided to Sojitz drawing from his experience and knowledge, which does not impact Mr. Kameoka's independence as an Independent Director.</p> <p>Based on the above, we believe that Mr. Kameoka satisfies the independence requirements of Sojitz's Independence Standards for Independent Directors, and we are confident in his ability to remain independent.</p>	<p>Mr. Tsuyoshi Kameoka has served as President & Representative Director, Group CEO of Showa Shell Sekiyu K.K. and brings a wealth of experience and deep insight regarding management from his involvement in overseeing the business integration of Idemitsu Kosan, Co., Ltd. and other events. Since 2023, he has served as an Independent Director of Sojitz Corporation, overseeing business operations and providing strategic advice based on his management experience in other industries, and since 2024, he has been serving as Chairman of the Board of Directors and demonstrating strong leadership. Sojitz has appointed him as an Independent Director candidate in the expectation that he will contribute to enhancing the corporate value of Sojitz by strengthening the supervisory function over the executive members of the Board of Directors and improving its effectiveness.</p>
Ungyong Shu	-	○	Nothing of note.	<p>Mr. Ungyong Shu has held important positions at J.P. Morgan</p>

				<p>Securities and Merrill Lynch Japan Securities Limited and 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. His accurate advices, taking advantage of his experience and expertise, have contributed to invigorating discussions within Sojitz's Board of Directors, including on strategic business investments. In addition, as the Chair of the Remuneration Committee, he has led discussions to formulate and implement an executive remuneration system that will encourage the realization of Sojitz's vision. Sojitz has appointed him as an Independent Director candidate in the expectation that he will continue to 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 Sojitz.</p>
Yuniko Jozuka	-	○	<p>Ms. Yumiko Jozuka served in an advisor role to the Company between July 2024 and May 2025 for which she received remuneration; however, the remuneration amount was below the independence standards amount defined in Sojitz's Independence Standards for Independent Directors.</p>	<p>Ms. Yumiko Jozuka has held important positions at the Ministry of Labor (currently the Ministry of Health, Labour and Welfare), including Director-General of the Social Welfare and War Victims' Relief Bureau, Chief of the Minister's Secretariat, and</p>

			<p>Furthermore, the remuneration was paid as compensation for advice she provided to Sojitz drawing from her experience and knowledge, which does not impact Ms. Jozuka's independence as an Independent Director.</p> <p>Based on the above, we believe that Ms. Jozuka satisfies the independence requirements of Sojitz's Independence Standards for Independent Directors, and we are confident in her ability to remain independent.</p>	<p>Director-General for Human Resources Development, and has extensive knowledge of labor administration, human resource and labor management, human capital management, and the promotion of women in the workplace. Sojitz has appointed her as an Independent Director candidate in the expectation that she will be able to exercise appropriate supervision over management from an independent and objective standpoint, taking advantage of her experience and expertise, and contribute to the strengthening of Sojitz's corporate governance and value.</p>
Haruko Kokue	○	○	<p>Transactions with Mitsui Chemicals Inc., at which Ms. Haruko Kokue 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 Mitsui Chemicals Inc. for the most recent fiscal year.</p> <p>Ms. Kokue served in an advisor role to the Company between May 2021 and January 2022 for which she received remuneration; however, the remuneration amount was below the independence standards amount defined in Sojitz's Independence Standards for Independent Directors. Furthermore, the remuneration was paid as compensation for advice she provided to Sojitz drawing from her</p>	<p>Ms. Haruko Kokue has extensive experience in supply chain management, public relations, investor relations, and international business management since joining Mitsui Chemicals, Inc. She also has deep insight into dialogues with various stakeholders and supply chain. Sojitz has appointed her as a candidate for Director who is Audit and Supervisory Committee Member with the expectation that she will exercise appropriate auditing and supervision from an independent and objective standpoint and contribute to strengthening Sojitz's corporate governance and value as she has been serving appropriately as</p>

			<p>experience and knowledge, which does not impact Ms. Kokue's independence as an Independent Director.</p> <p>Based on the above, we believe that Ms. Kokue satisfies the independence requirements of Sojitz's Independence Standards for Independent Directors, and we are confident in her ability to remain independent.</p>	Independent Director of Sojitz since 2022.
Satoko Suzuki	○	○	Nothing of note.	<p>After serving as an auditor at Deloitte Touche Tohmatsu (currently Deloitte Touche Tohmatsu LLC), Ms. Satoko Suzuki opened a certified public accountant firm and accumulated extensive experience as a Supervisory Director of a Ichigo Hotel REIT Investment Corporation and as an Independent Director who is an Audit and Supervisory Committee Member of a major general chemical company, which has equipped her with insight on finance and accounting, as well as outstanding expertise in auditing services. Sojitz has appointed her as a candidate for Director who is Audit and Supervisory Committee Member with the expectation that she will exercise appropriate auditing and supervision from an independent and objective standpoint and contribute to strengthening Sojitz's corporate governance and value as she has been serving appropriately as</p>

				Independent Director of Sojitz since 2024.
Kazuhiko Takeda	○	○	<p>Transactions between Sony Group Corporation, at which Mr. Kazuhiko Takeda served as Executive Officer until June 2021, and Sojitz in the most recent fiscal year were less than 1% of consolidated sales revenue of said company and less than 1% of consolidated revenue of Sojitz.</p> <p>Mr. Takeda served in an advisor role to the Company between March 2025 and May 2025 for which he received remuneration; however, the remuneration amount was below the independence standards amount defined in Sojitz's Independence Standards for Independent Directors. Furthermore, the remuneration was paid as compensation for advice he provided to Sojitz drawing from his experience and knowledge, which does not impact Mr. Takeda's independence as an Independent Director.</p> <p>Based on the above, we believe that Mr. Takeda satisfies the independence requirements of Sojitz's Independence Standards for Independent Directors, and we are confident in his ability to remain independent.</p>	<p>At Sony Corporation (now Sony Group Corporation), Mr. Kazuhiko Takeda has held important positions such as Corporate Executive CIO and Executive Deputy President/CFO at major subsidiaries, and he has acquired insight of management and corporate governance through his management experience at a global company, as well as extensive knowledge of finance and accounting. Sojitz has appointed him as a candidate for Director who is Audit and Supervisory Committee Member with the expectation that he will exercise appropriate auditing and supervision from an independent and objective standpoint and contribute to strengthening Sojitz's corporate governance and value.</p>

Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Supervisory Committee	4	1	1	3	Inside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee	Appointed
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Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

Two Senior Auditors are assigned to ensure the effectiveness of audits by the Audit and Supervisory Committee.

Senior Auditors are persons who are familiar with the Group's business and operations and have knowledge of finance and accounting, risk management, and other relevant areas. Senior Auditors support the duties of the Audit and Supervisory Committee from the same perspective as Audit and Supervisory Committee Members. In addition, the Internal Control Administration Department assigns several dedicated staff members to provide support to the Audit and Supervisory Committee and Senior Auditors.

The Senior Auditor performs their duties under the direction of the Audit and Supervisory Committee. Senior Auditors' personnel evaluation and transfers are subject to consultation with the Audit and Supervisory Committee in order to ensure their independence from Executive Directors.

Cooperation among the Supervisory Committee, Accounting Auditors and Internal Audit Department

In order to mutually ensure the completeness and efficiency of audits, the Audit and Supervisory Committee, Accounting Auditors, and Internal Audit Department engage in information sharing to enhance the effectiveness of audits.

(Cooperation between Audit and Supervisory Committee and Accounting Auditor)

Audit and Supervisory Committee 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

(Cooperation between Audit and Supervisory Committee and Internal Audit Department)

The Internal Audit Department's annual audit plan is determined by the resolution of the Audit and Supervisory Committee. The Internal Audit Department reports regularly to the Audit and Supervisory Committee on the status of the internal audit. In addition, the Audit and Supervisory Committee may ask the Internal Audit Department to make reports and conduct investigations and may give specific instructions to the Internal Audit Department as necessary.

(Three-way audit meetings)

The Audit and Supervisory Committee, the Internal Audit Department and the Accounting Auditor meet regularly to share the status of their respective audits and exchange opinions to promote cooperation among them.

For more details information, please refer to II. 2. [Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)].

Voluntary Established Committee(s)

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee

Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination Committee	4	0	1	3	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Remuneration Committee	4	0	1	3	0	0	Outside Director

Supplementary Explanation

Sojitz has established the following advisory bodies to the Board of Directors.

■ Nomination Committee (3 Independent Directors, 1 Inside Director)

(Roles) Discusses and proposes the standards and methods for selecting Director and Executive Officer candidates and considers candidate proposals.

(Members) Yuniko Jozuka (Chair/ Independent Director),
Ungyong Shu (Independent Director),
Tsuyoshi Kameoka (Independent Director), and
Kosuke Uemura (Representative Director and President)

■ Remuneration Committee (3 Independent Directors, 1 Inside Director)

(Roles) Discusses and proposes remuneration levels for Directors and Executive Officers and various systems related to evaluation and remuneration.

(Members) Ungyong Shu (Chair/ Independent Director),
Tsuyoshi Kameoka (Independent Director),
Yumiko Jozuka (Independent Director), and
Kosuke Uemura (Representative Director and President)

Matters Concerning Independent Directors

Number of Independent Directors

6

Other Matters Concerning Independent Directors

Sojitz appoints Independent Directors from those with a wide range of knowledge, deep insight, excellent character, mental and physical health conditions, and abundant experience in industries and administrative fields, such as those who have management experience in business corporations and government agencies, and who have objective and specialist viewpoints toward world affairs, social and economic trends, and corporate management. Sojitz also ensures the diversity of the candidates' gender, age and internationality from the perspective of reflecting the viewpoints of a variety of stakeholders in the supervision of business activities.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of Performance-linked Remuneration Scheme

Supplementary Explanation for Applicable Items

At the 21st Ordinary General Shareholders' Meeting, which was held on June 18, 2024, the continuation and partial amendments of the performance-linked share remuneration system for Directors and Executive Officers (excluding Independent Directors, Directors who are Audit and Supervisory Committee Members, and individuals not residing in Japan; hereinafter referred to as "Directors, etc.") were approved. This decision was made with the goal of providing a highly transparent and objective executive remuneration system that is strongly linked to corporate performance and that serves to heighten the commitment of Directors, etc. to contributing to improvements in performance and corporate value over the medium to long term.

This system is designed to evaluate the contributions of Directors, etc. to medium- to long-term performance based on their aggregate term of service. These evaluations are used to determine total numbers of shares to be delivered to applicable Directors, etc., delivered after their resignation.

Please refer to our Annual Financial Report (for the year ended March 31, 2025) for the details.

(<https://www.sojitz.com/en/ir/reports/vsecurity/>)

Persons Eligible for Stock Options

Supplementary Explanation for Applicable Items

Director Remuneration

Status of Disclosure of Individual Director's Remuneration

Disclosure for Selected Directors

Supplementary Explanation for Applicable Items

Total amount of remuneration by officer classification, total amount of remuneration by type of remuneration and number of company officers subject to payment

Rank/Number of persons to be paid/Basic remuneration : Monetary (*1,2) /Performance-linked remuneration : Monetary (short-term) (*1) , Share (medium-to long-term) (*1,3,4) /Total

- Directors (Total)/11 persons/Basic remuneration : 317/Performance-linked remuneration : 135, 223/Total : 676
- Independent Directors/5 persons/Basic remuneration : 50/Performance-linked remuneration : —/Total : 50
- Audit and Supervisory Board Members (Total)/5 persons/Basic remuneration : 26/Performance-linked remuneration : —/Total : 26
- Independent Audit and Supervisory Board Members / 3 persons / Basic remuneration : 8 / Performance-linked remuneration : —/Total : 8
- Directors who are Audit and Supervisory Board Members/4 persons/Basic remuneration : 75/Performance-linked remuneration : —/Total : 75
- Independent Directors who are Audit and Supervisory Board Members/3 persons/Basic remuneration : 35/Performance-linked remuneration : —/Total : 35

*1 Figures are rounded down to the nearest million yen.

*2 Based on the resolution of the 21st Ordinary General Shareholders' Meeting held on June 18, 2024, Sojitz transitioned to a Company with Audit and Supervisory Committee, effective on the same date. As of the end of FY2024, there were 7 Directors and 4 Directors who are Audit and Supervisory Committee Members. The total amount of remuneration of Directors includes that for 2 Directors who retired due to expiration of their term of office at the conclusion of the Ordinary General Shareholders' Meeting held on June 18, 2024 and the remuneration for the period before the transition to a Company with Audit and Supervisory Committee for 2 Directors who were newly appointed as Directors who are Audit and Supervisory Committee Members. The amount of remuneration for Audit and Supervisory Board Members includes the remuneration for the period before the transition to a Company with Audit and Supervisory Committee.

*3 Regardless of whether before or after the transition to a Company with Audit and Supervisory Committee, as the Board of Directors confirmed that the amounts of remuneration for individual Directors for FY2024, including the target of each evaluation indicator, based on the Executive Remuneration Policy, basic remuneration (fixed remuneration) by rank, the calculation method for performance-linked remuneration (short-term), and the calculation method for performance-linked remuneration (medium- to long-term) were consistent with the determination policy described in below, the details of such remuneration were judged to be in line with the policy.

*4 The performance-linked remuneration (medium- to long-term) is a share remuneration system based on the Board Incentive Plan (BIP) Trust. The total amount of the aforementioned share remuneration represents the amount reported as expenses for FY2024 associated with the share delivery points regarding the BIP Trust, including the persons who are scheduled to retire in FY2024..

The names, ranks, and remuneration amounts for the Directors who received a total of ¥100 million or more in remuneration in FY2024 are disclosed in the Annual Financial Report.

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

■ Methods for determining executive remuneration

As for remuneration for Directors, the Executive Remuneration Policy, rank-based standard amounts for basic remuneration (fixed remuneration), and calculation methods of performance-linked remuneration (short-term) and performance-linked remuneration (medium- to long-term) (including the targets for each of the evaluation indicators) are decided based on resolutions made by the Board of Directors after deliberations at the Remuneration Committee. Based on these decisions, amounts of remuneration paid to individual Directors are calculated and determined. Amounts of remuneration paid to individual Audit and Supervisory Committee Members are determined through discussion by the Audit and Supervisory Committee.

The Remuneration Committee is an advisory body to the Board of Directors tasked with deliberation and proposals related to levels of remuneration for Directors and Executive Officers and evaluation and remuneration systems. The committee is membered by a majority of Independent Directors and is chaired by an Independent Director.

■ Remuneration system for Director (excluding Audit and Supervisory Committee Members) and Executive Officers

<Executive Remuneration Policy>

Sojitz's basic policy on remuneration for Directors is to create a system that is closely linked to the Company business performance and that will ensure transparency and objectivity with the aim of raising the motivation of Directors to contribute to improved performance and corporate value over the medium to long term. In accordance with this basic policy on remuneration, the Executive Remuneration Policy (Company policy for determining amounts of remuneration paid to individual Directors, etc.) was approved at the Board of Directors meeting held on March 22, 2024 in order to make a policy for the remuneration of Directors and Executive Officers that is consistent with Sojitz's corporate statement, value creation model, Vision for 2030, and "Medium-Term Management Plan 2026", which was launched in April 2024.

The details of the Executive Remuneration Policy are as follows.

● Basic view

Sojitz's basic view on remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members; the same applies hereinafter) and Executive Officers (hereinafter collectively referred to as the "Officers") is based on the following two considerations.

- 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.

- Remuneration systems shall be structured to drive us toward our vision for 2030 of “Becoming a general trading company that constantly cultivates businesses and human capital.”

● Basic policies

- Remuneration systems shall be linked to medium- to long-term performance and corporate value improvements as well as to short-term performance.
- Remuneration systems shall be linked to the new value Sojitz creates and provides in the digital society as it practices ESG management.
- Remuneration systems shall be linked to the shareholder value of Sojitz.
- Remuneration systems shall provide a sufficient level of remuneration to recruit and retain globally competitive personnel.
- Remuneration shall be determined through a process with a high degree of transparency and objectivity.

● Breakdown of remuneration

◆ Level of remuneration

In line with the basic policies, the level of remuneration shall stay attractive and commensurate with the 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 in Japan, along with the level of employee salary. The level of Sojitz’s executive remuneration shall be subject to review as appropriate depending on the changes in the external business environment.

◆ Structure of remuneration

Sojitz’s remuneration consists primarily of basic remuneration and performance-linked remuneration. Medium- to long-term performance-linked remuneration applies a “pay for mission” approach, which takes into consideration factors such as the fulfillment of our corporate statement and the creation and provision of the two types of value.

- 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) *

◆ Remuneration mix

[Officers (excluding Independent Directors)]

The proportion of basic remuneration among total compensation will be lowered to between approximately 40% and 64%, based on job responsibilities, and the proportion of performance-linked remuneration will be raised.

Basic remuneration: 40~64%, Performance-linked remuneration (short-term): 20~22%, Performance-linked remuneration (medium to long-term) 16~40%

[Independent Directors (excluding Directors who are Audit and Supervisory Committee Members)]

Remuneration consists wholly of basic remuneration, while special allowance shall be paid separately to the Chairperson of the Board of Directors, and the Chairs of the Nomination Committee and the Remuneration Committee.

◆ Timing of the payment of remuneration

- Basic remuneration: Paid monthly
- Performance-linked remuneration (short-term): Paid once a year at a certain time
- Performance-linked remuneration (medium- to long-term): After the retirement (*)

(*) For share remuneration, after retirement of Directors, based on the confirmation that they meet the beneficiary requirements, they shall receive delivery of the number of Sojitz shares equivalent to the accumulated share delivery points calculated at the rate of one Sojitz share per share delivery point. The beneficiary requirements shall be determined as necessary to achieve the purpose of the share remuneration system.

● Determination method of performance-linked remuneration

Determined based on factors such as the degree of accomplishment of targets, progress made with the Medium-Term Management Plan and individual contribution to corporate performance.

● Forfeiture of remuneration (claw back clause, malus clause)

If a resolution is passed by the Board of Directors for a post -closing correction of accounts due to serious accounting errors or fraud, or if wrongdoing by an Officer is confirmed by the Board of Directors, Sojitz may restrict the payment of performance-linked remuneration or request the refund of the remuneration the Officer has received.

● Governance over remuneration

The amount of remuneration of each of the Officers shall be determined by the Board of Directors, after deliberations at the Remuneration Committee chaired by an Independent Director, with the majority of committee members being Independent Directors. The amount of remuneration for Directors who are Audit and Supervisory Committee Members shall be determined through discussion among the Directors who are Audit and Supervisory Committee Members.

The FY2025 remuneration system for Directors was established based on the aforementioned policies. Further details regarding this system, including an overview and calculation methods, are disclosed in the Annual Financial Report.

Annual Financial Report (for the year ended March 31, 2025) : (<https://www.sojitz.com/en/ir/reports/vsecurity/>)

■ Remuneration system of Directors who are Audit and Supervisory Committee Members

Performance-linked remuneration is not paid to Audit and Supervisory Committee Members out of consideration for their role in auditing Directors' execution of their duties. As a result, Audit and Supervisory Committee Members only receive basic remuneration (monetary). The amount of such remuneration is determined through discussion among the Directors who are Audit and Supervisory Committee Members.

Support System for Outside Directors

- The Board Meeting Operation Office has been established as an organization which is comprised of five full-time staff (as of June 18, 2025), who support the Directors by reporting to, providing information to, and communicating with Directors in a timely and appropriate manner.
- In order for Directors to deepen their understanding of proposal details, materials are distributed up to five business days before the pre-meeting briefing of the Board of Directors meeting in order to secure sufficient deliberation time. A pre-meeting briefing on proposals will be established up to two business days before the Board of Directors meeting to provide sufficient information about the proposals.
- We provide newly appointed Directors with opportunities to participate in lectures on the medium-term management plan, DX promotion activities, the internal control, risk management structure, IR and sustainability initiatives by each business executing department. In addition, external lawyers also provide lectures about the duties and responsibilities of Directors and Audit and Supervisory Committee Members.
- In order for Directors to deepen their understanding of the latest macroeconomic conditions, our research institute holds monthly briefing sessions. In addition, we provide other necessary information on an ongoing basis.

We offer Directors opportunities to attend seminars, etc. held by external organizations as needed.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
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Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.)
After Retiring as Representative Director and President, etc.

Other Related Matters

Our Corporate Advisor system may appoint former executives (*¹) in full-time or part-time positions following their resignation, regardless of whether they served as President & CEO in the past. These Corporate Advisors are entrusted with supporting Sojitz's executive networking, and they do not contribute to the company's management or business execution. On principle, their contract lasts one year, during which they are also paid compensation.

In light of the status of Sojitz's responsibilities in the business world and with consideration for the demand placed on our company to appoint employees from other companies to Sojitz Outside Director positions, we believe that support from former executives is essential to Sojitz's business activities, and we have decided to maintain the Corporate Advisor system and provide them with treatment commensurate with these activities.

We do not have any system for employing *sodanyaku*.

(*¹) “Executives” here refers to full-time Directors, Executive Officers, and full-time Audit & Supervisory Board Members.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

1) Company Institutions

(A) 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 independent Directors supervise the Executive Directors and overall system of business execution. They also provide opinions and advice on 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, age, 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 12. As of June 18, 2025, the Board of Directors consists of 11 members (7 males and 4 females: the ratio of female Directors is 36.4%), including 7 Directors (excluding Directors who are Audit and Supervisory Committee Members), 3 of whom are independent Directors, and 4 Directors who are Audit and Supervisory Committee Members, 3 of whom are independent Directors. The Board of Directors is chaired by an Independent Director, Mr. Tsuyoshi Kameoka.

● 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, which provides advisory services to the Board of Directors, 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 based on the internal rules of the Board of Directors in addition to laws, regulations and the Articles of Incorporation. It also reviews and resolves important matters related to business execution, such as investments and loans of high quantitative importance. As for business execution other than these matters resolved by the Board of Directors, the President, the Chief Executive Officer, the Management Committee, the Finance & Investment Deliberation Council, or the Human Resource Deliberation Council, etc. review and approve matters depending on the contents, scale, importance and risks of each matter.

In June 2024, the Company transitioned to a Company with Audit and Supervisory Committee. As a result, authority was passed from the Board of Directors to the Executive Directors. Also, in order to ensure effective and efficient debate in the Board of Directors for monitoring purposes, changes were made to systematize the previous report items and merge related proposals.

The Company establishes the annual schedule of the Board of Directors at the beginning of the fiscal year in order to properly ensure deliberation time in the Board of Directors for these important proposals as it takes efforts to standardize the number of proposals and meeting times.

< Main deliberations at the Board of Directors meetings held during FY2024 >

Growth strategy, Investment & Loans (30%, or 52% by including the reporting time outside of the meeting deliberations)	Development and progress report for Medium-Term Management Plan 2026 Acquisition of Australian infrastructure development company, other investments & loans, etc.
Financial Results, Performance Progress (15%, or 10% by including the reporting time outside of the meeting deliberations)	Results-related, budget-related, quarterly financial progress reports, etc.
Sustainability, Human Capital, Governance (26%, or 17% by including the reporting time outside of the meeting deliberations)	Sustainability initiatives report, progress report on personnel policies, assessment of effectiveness of the Board of Directors, the Board of Directors' annual plan, Nomination and Remuneration Committees reports, etc.
Internal Controls, Audits (10%, or 7% by including the reporting time outside of the meeting deliberations)	Reports on the establishment and operation status of the internal control system (including reports from the Compliance Committee, Security Trade Control Committee, and other various committees), internal audit reports, etc.
DX, Systems (13%, or 10% by including the reporting time outside of the meeting deliberations)	DX promotion activities report (status of initiatives for each DX measure, digital Human Capital development, AI governance, etc.), cyberattack response, etc.
Others (5%, or 4% by including the reporting time outside of the meeting deliberations)	Executive personnel and remuneration, etc.

* The percentages indicate the percentage of deliberation time spent for each proposal type to the total deliberation time of the Board of Directors meetings held during FY2024.

● 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.

With respect to the method of analysis and the results of the FY2024 assessment, as well as the action plan for the fiscal year 2025 based on these results, please refer to the Supplementary Principles 4-11③ of "Sojitz's Approach to Corporate

Governance Code Principles” of at the end of this report.

● Policies on Appointment and Standards for Independence of Outside Officers

We place importance on the independence of Directors. We have formulated our own Independence Standards for Directors in addition to the provisions of the Companies Act, and standards for independence of Directors set by financial instruments exchange, and confirm that all our Directors meet these standards. Please refer to [Sojitz’s Approach to Corporate Governance Code principles] Principle 4.9 at the end of this report for the details of the Independence Standards.

● Training Policy for Directors

Please refer to [Sojitz’s Approach to Corporate Governance Code principles] Principle 4.14.2 at the end of this report for the details.

● Policy for Determining Remuneration of Directors

Please refer to II. 1. [Director Remuneration] of this report for details.

(B) Audit and Supervisory Committee

The Audit and Supervisory Committee audits the execution of duties of Directors from the perspective of legality and appropriateness to fulfill its supervisory and auditing functions over operations of business, by attending important meetings related to the execution of business, interviewing Executive Directors, reviewing documents related to important decisions, and using other methods.

● Composition of the Audit and Supervisory Committee

The Audit and Supervisory Committee consists of 4 members (2 males, 2 females), including 1 full-time Inside Director and 3 independent Directors. To ensure the effectiveness of audits by the Audit and Supervisory Committee, we appoint 1 Inside Director who is familiar with the Group’s business as a full-time Audit and Supervisory Committee Member and Chair of the Audit and Supervisory Committee.

In addition, 3 members of the Audit and Supervisory Committee have considerable knowledge of finance and accounting as follows.

- Mr. Yoshiki Manabe, a full-time Inside Director, has served as COO, been responsible for accounting and finance, and held other important positions at Sojitz. He has considerable knowledge of finance and accounting.
- Ms. Satoko Suzuki, an Independent Director, opened a certified public accountant office after serving as a certified public accountant at an audit firm, and has been engaged in auditing services for many years. She has outstanding expertise in finance and accounting.
- Mr. Kazuhiko Takeda, an Independent Director, has been responsible for corporate planning and control and accounting at Sony Corporation (currently Sony Group Corporation) and held important positions including CFO at major subsidiaries of Sony Corporation. He has considerable knowledge of finance and accounting.

● Audit system

Please refer to [Audit system Framework] at the end of this report.

<Senior Auditor> (*1 of [Audit system Framework] at the end of this report)

- Two Senior Auditors are assigned to ensure the effectiveness of audits by the Audit and Supervisory Committee.

- Senior Auditors are persons who are familiar with the Group's business and operations and have knowledge of finance and accounting, risk management, and other relevant areas. They complement and support the duties of the Audit and Supervisory Committee from the same perspective as Audit and Supervisory Committee Members.
- The Senior Auditor performs their duties under the direction of the Audit and Supervisory Committee.
- Senior Auditors' personnel evaluation and transfers are subject to consultation with the Audit and Supervisory Committee to ensure the independence of audits.

<Establishment of a reporting line from the Internal Audit Department to the Audit and Supervisory Committee> (*2 of [Audit system Framework] at the end of this report)

- The Audit and Supervisory Committee receives regular reports on the audit status from the Internal Audit Department.
- The Audit and Supervisory Committee may ask the Internal Audit Department to make reports and conduct investigations and may give specific instructions to the Internal Audit Department as necessary.

<Establishment of a reporting line from the Internal Control Committee to the Audit and Supervisory Committee> (*3 of [Audit system Framework] at the end of this report)

- The Internal Control Committee, which is an executing body under the management of the President, oversees the implementation and enforcement of the internal control system and conducts periodic monitoring. While cooperating with other committees, the Internal Control Committee identifies issues and considers countermeasures related to the internal systems and frameworks, points out these issues to the relevant departments, and makes improvements.
- The Audit and Supervisory Committee receives regular reports from the Internal Control Committee on the establishment and operation status of the internal control system in business execution.

<Others>

The Audit and Supervisory Committee, the Internal Audit Department and the Accounting Auditor meet regularly to share the status of their respective audits and exchange opinions to promote cooperation among them.

(C) Advisory bodies to the Board of Directors (Nomination Committee, Remuneration Committee)

See II. 1. [Voluntary Established Committee(s)] above for more information.

2) Business executing bodies

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

(A) Management Committee

The Committee consists of Executive Directors, Chief Operation Officers (COOs) of the business divisions and corporate department supervisors. It reviews and approves management policies, management strategies and management administrative matters among the Group from Group-wide and medium-to-long-term viewpoints. The Committee meetings are held twice a month in principle and as needed.

A total of 27 meetings were held in FY2024, with a total of 13 members (10 males and 3 females). In FY2024, the Committee mainly focused on reviewing the progress of business investment, personnel policies, etc., outlined in the

Medium-Term Management Plan 2026. Additionally, the meeting addressed reports on the macro environment, foreign exchange and country risks, and other important sales and corporate projects.

In FY2025, the Committee consists of a total of 12 members (9 males and 3 females).

(B) Finance & Investment Deliberation Council

The Council consists of Executive Directors and corporate department supervisors. It discusses and resolves important investment and loan proposals from a Group-wide viewpoint. The Council meetings are held twice a month in principle, and a total of 21 meetings were held in FY2024.

(C) Human Resource Deliberation Council

The Council consists of Executive Directors and corporate department supervisors. It discusses and resolves important issues pertaining to human resources from a Group-wide viewpoint. The Council meetings are held twice a month in principle, and a total of 21 meetings were held in FY2024.

(D) Internal committees

In order to enhance corporate value, we have established the following internal committees (as of June 18, 2025) that act as executing bodies under the direct supervision of the President to advance management initiatives that need to be handled across the organization. Each internal committee regularly reports on its discussions to the Board of Directors and the Management Committee. The frequency and number of meetings of each committee held in FY2023 were as follows.

	Roles	Frequency of meetings (Number of meetings held in FY2024)
Internal Control Committee	The Internal Control Committee formulates policies to maintain and improve our internal control system, and monitors this internal control system and its enforcement among the Group, and monitors risks from a Group-wide viewpoint.	Once a quarter in principle (4 meetings)
Compliance Committee	The Compliance Committee examines and formulates fundamental policies and measures to ensure compliance.	Once a quarter in principle (4 meetings)
Sustainability Committee	Based on the Sustainability Challenge, the Sustainability Committee examines and formulates various policies and measures, focusing on the realization of a decarbonized society and respect for human rights in the supply chain.	Once a quarter in principle (4 meetings)
Security Trade Control Committee	The Security Trade Control Committee expedites responses to changing security trade control issues associated with the Sojitz Group and establishes appropriate trade control systems.	In addition to the annual meeting, convened as needed

		(2 meetings)
Quality Management Committee	The Quality Management Committee builds and maintains a company-wide quality control system and studies and formulates measures to develop business (B to C business) from a market-oriented perspective and to increase corporate value.	Once a quarter in principle (4 meetings)
DX Promotion Committee	The DX Promotion Committee monitors the overall picture of DX promotion aimed at improving corporate value, and shares the progress and status of efforts, and verifies their effects, with the goal of realizing increased corporate value through business transformation and enhanced competitiveness, while pursuing reforms in business models, human capitals, and operational processes by utilizing digitalization.	Once a month in principle (11 meetings)
Information and IT Systems Security Committee	Information and IT Systems Security Committee promotes task setting, the formulation of action plans, and the implementation of countermeasures relating to the security of company-wide information assets and IT systems to improve corporate value, while grasping the focus and importance of risks that arise in business where digital data and IT are utilized in conjunction with the accelerated promotion of DX.	Once a half in principle (2 meetings)

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.

3) Corporate Audits, Accounting Audits and Internal Audits

With the approval of the 21st Ordinary General Shareholders' Meeting held on June 18, 2024, the Company has transitioned to a Company with Audit and Supervisory Committee.

(A) Organization and Personnel

- From April 2024 to the 21st Ordinary General Shareholders' Meeting (June 18, 2024)

Before the transition to a Company with Audit and Supervisory Committee, the Company, as a company with Audit and Supervisory Board, had 5 Audit and Supervisory Board Members, including 3 Independent Audit and Supervisory Board Members. The attendance of these members is as follows.

Position	Name	April 2024 - June 18, 2024 Attendance at the Audit and Supervisory Board meetings (Total of 5 meetings)	April 2024 - June 18, 2024 Attendance at the Board of Directors meetings (Total of 4 meetings)

Full-time Audit and Supervisory Board Member	Masaaki Kushibiki	5 (100%)	4 (100%)
Full-time Audit and Supervisory Board Member	Takehiro Honda	5 (100%)	4 (100%)
Independent Audit and Supervisory Board Member	Michiko Nagasawa	5 (100%)	4 (100%)
Independent Audit and Supervisory Board Member	Kazuhiro Yamamoto	5 (100%)	4 (100%)
Independent Audit and Supervisory Board Member	Junko Kamei	5 (100%)	4 (100%)

- From the conclusion of 21st Ordinary General Shareholders' Meeting (June 18, 2024)

The attendance of each Audit and Supervisory Committee Member is as follows.

Position	Name	From June 18, 2024 Attendance at the Audit and Supervisory Committee meetings (Total of 12 meetings)	From June 18, 2024 Attendance at the Board of Directors meetings (Total of 11 meetings)
Full-time Audit and Supervisory Committee Member	Yoshiki Manabe	12 (100%)	11 (100%)
Independent Audit and Supervisory Committee Member	Kazuhiro Yamamoto	12 (100%)	11 (100%)
Independent Audit and Supervisory Committee Member	Haruko Kokue	12 (100%)	11 (100%)
Independent Audit and Supervisory Committee Member	Satoko Suzuki	12 (100%)	11 (100%)

(B) Activities of Audit and Supervisory Committee

● Activities of Audit and Supervisory Committee Members and Audit and Supervisory Committee:

Pursuant to the Corporate Audit Standards, audit plans and task assignments established by the Audit and Supervisory Committee, Audit and Supervisory Committee Members oversee and audit the operations of Sojitz Group by performing audits using the following main activities and other methods.

The Audit and Supervisory Committee receives 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. It also approves internal audit plans from the Internal Audit Department, and receives reports on the status of audits. The Audit and Supervisory Committee has thus established a system for ascertaining the status of the Company in a timely and appropriate fashion, based on cooperation with the Accounting Auditor and the Internal Audit Department.

Through the Internal Control Administration Department, an administrative bureau, the Company has built a reporting line with the Internal Control Committee to receive regular reports on the establishment and operation status of the internal control systems in business execution.

The Audit and Supervisory Committee conducted audits while having sufficient communication with domestic and overseas consolidated subsidiaries through on-site audits and remote audits using the web conference system.

Audit and Supervisory Committee concentrated on the following matters during FY2024.

(1) Status of group governance

Monitor and audit the business execution of Sojitz and domestic and overseas Sojitz Group companies to ensure that it

is conducted in a responsible manner, with constant awareness of social responsibility and based on fair and appropriate judgment.

(2) Status of group compliance

Promote Group-wide awareness of compliance and ensure strict adherence to laws, regulations, and internal rules to prevent the occurrence of corporate scandals and other events that may cause significant damage to Sojitz.

(3) Internal Control System

Monitor the implementation and operation of the Internal Control System and verify its effectiveness in cooperation with the Accounting Auditor, departments in charge of internal audits and internal controls, as well as auditors of group companies. Furthermore, monitor the status of the system for ensuring the reliability of financial reporting as stipulated in the Financial Instruments and Exchange Act and verify it in the same manner as above, as a component of the Internal Control System in the broad sense of the term.

(4) Asset and business management follow-up system

In order to maintain and ensure the profitability of the entire Group's business and the quality of its assets in the midst of changing internal and external environments, verify the process of asset evaluation and business follow-up, including investments and loans, to monitor and audit whether appropriate decisions are made in a timely manner.

(5) Internal cooperation in internal control system

In the first year of the transition to a Company with an Audit and Supervisory Committee, enhance the organizational audits using an internal control system and strengthen the communication with the Audit Department. Also, improve the quality and efficiency of audits by receiving regular reports on the establishment and operation status of the internal control system from the Internal Control Committee.

Main Activities of Audit and Supervisory Committee	Frequency of meetings	Task Assignments	
		Full-time	Independent
Attendance at advisory committees of the Board of Directors (Nomination Committee, Remuneration Committee)	At appropriate times	—	○
Attendance at important meetings and the internal committees (Management Committee, Finance & Investment Deliberation Council, Internal Control Committee, Compliance Committee, Sustainability Committee, Security Trade Control Committee, Quality Management Committee, DX Promotion Committee, Information and IT Systems Security Committee)	At appropriate times	○	△ (*1)

Meetings with Executive Directors	Twice a year	○	○ (*2)
Meetings with Independent Directors who are not Audit and Supervisory Committee Members	Twice a year	○	○
Meetings with COOs of business and function divisions, Presidents and CEOs of overseas operations	Once a year	○	△
On-site audits of domestic and overseas group companies (including remote audits)	41 companies a year	○	△
Meetings with full-time auditors of group companies	Twice a year	○	—
Attendance at reporting meetings on audit plans and audits and midterm communications, and interviews with the Accounting Auditor	(Audit and Supervisory Board Members) Four times a year (Audit and Supervisory Committee Members) 10 times a year (*3)	○	○
Attendance at audit report meetings, attendance at review meetings of internal audits	(Audit and Supervisory Board Members) 10 times a year (Audit and Supervisory Committee Members) 34 times a year (*3)	○	—
Review of important documents relevant to major business decisions	Once a quarter	○	—

A “○” mark indicates a task, and a “△” mark indicates a partial or voluntary task.

(*1) Independent Audit and Supervisory Committee Board Members attended the Finance & Investment Deliberation Council meetings as observers.

(*2) At least 1 Independent Audit and Supervisory Committee Member attended generally.

(*3) “(Audit and Supervisory Board Members)” shows the number of times by the Audit and Supervisory Board Members from April 2024 to June 18, 2024. “(Audit and Supervisory Committee Members)” shows the number of times by Audit and Supervisory Committee Members from June 18, 2024 on.

● Activities of Audit and Supervisory Board Member and Audit and Supervisory Board

As a general rule, the Audit and Supervisory Board meets once a month, as well as on an as-needed basis on an ad hoc basis. During FY2024, the Audit and Supervisory Board met 12 times, each meeting lasting approximately 2 hours.

(C) Internal audits

The Company has established the Internal Audit Department as an organization independent of other business execution departments. The Internal Audit Department (comprising 39 people as of June 18, 2025) conducts internal audits covering the business divisions, corporate departments, and consolidated subsidiaries to verify that the various management activities and operational controls of the Sojitz Group are being properly executed in compliance with laws, regulations, and internal

rules. The status of internal audits conducted by the Internal Audit Department is as follows:

- The Department develops an annual audit plan with an annual operating policy, priority items, and annual schedule, among other things, and conducts internal audits in accordance with the plan.
- During the audit, the 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 convenes an audit review meeting for the audited organization to present the audit results, exchange opinions on problem areas, and discuss improvement measures. Attendees include the president of the audited organization, COOs responsible for corporate departments, and full-time Audit and Supervisory Committee Members. After the audit review meeting, an internal audit report is prepared and submitted to the audit report meeting (comprising Representative Directors, full-time Audit and Supervisory Committee Members, and other persons deemed necessary by the president).
- To address the problems identified in the audits, the Internal Audit Department receives reports about improvements by the audited organizations for the three- and six-month periods after the audits, and conducts a follow-up audit to check their progress.

In addition, the following are initiatives taken by Sojitz to ensure the effectiveness of internal audits.

- The Internal Audit Department's annual audit plan is determined by the resolution of the Audit and Supervisory Committee and reported to the Management Committee and Board of Directors.
- The Internal Audit Department reports the results of internal audits not only to the Representative Director and President, but also to the Board of Directors and the Audit and Supervisory Committee on a regular basis.
- The General Manager of the Internal Audit Department, full-time Audit and Supervisory Committee Members, and their assistants hold regular meetings to share findings and challenges, among other things, in their respective audit activities in a timely manner and exchange their opinions.
- The Internal Audit Department, Audit and Supervisory Committee, and the Accounting Auditor convene quarterly to share their respective audit results.
- Deliberations and assessments of the Internal Audit Department's organizational performance, as well as individual evaluations of the General Manager of the Internal Audit Department, require consultation with the Audit and Supervisory Committee, ensuring the independence of the internal audits.

(D) 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 to perform audits of financial statements and internal control audits in accordance with the Financial Instruments and Exchange Act. The names of the certified public accountants executing audits, the number of assistants involved, and the period successively involved in the audit of FY2024 are as follows.

(The certified public accountants executing audits) Hiroaki Sugiura, Rhohei Tomita, Tsugunobu Hikishikibayashi

(The number of assistants involved executing audit) 15 certified public accountants, 50 others

(The period successively involved in the audit) 20 years

4) Outline of the contents of the limited liability agreement

Sojitz has a limited liability agreement with Directors (excluding Executive Directors) 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.

3. Reasons for Adoption of Current Corporate Governance System

1) Management and operation execution system

We employ an executive officer system for the purpose of clarifying authority and responsibilities and ensuring smooth and swift execution of business through the separation of management supervision and decision-making from operational execution.

The Board of Directors is the highest decision-making body for reviewing and resolving fundamental basic policies and the most important matters concerning the management of the Group. The Board of Directors also supervises operational execution through proposals of important matters and regular reports from the executive function.

The executive function comprises the Management Committee, chaired by the President, who is also the Chief Executive Officer. The Management Committee is responsible for the review and approval of important managerial and executive agendas from a Group-wide and medium- to long-term viewpoint. In addition, we have established the Finance & Investment Deliberation Council for the review and approval of important investments and loans, the Human Resource Deliberation Council for the review and approval of major human resource matters, and internal committees to handle issues to be addressed from cross-organizational perspectives. All of these bodies report directly to the President.

The term of Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers is set at one year in order to facilitate swift and appropriate responses to rapid changes in the operating environment and clarify responsibilities related to management.

2) Monitoring and supervisory functions for management

To enhance the Board of Directors' oversight of business operations and to ensure the receipt of objective and diverse counsel, the majority of the Board of Directors is comprised of Independent Directors, and the Chair of the Board of Directors is an Independent Director.

Sojitz is a Company with Audit and Supervisory Committee, with Audit and Supervisory Committee Members, who are responsible for auditing the execution of duties of Directors, becoming members of the Board of Directors. This will enable us to reflect audit results in discussions at the Board of Directors meetings, seeking to further strengthen the supervisory function of the Board of Directors.

Furthermore, the majority of the members of the Nomination Committee and the Remuneration Committee, which provide advisory services to the Board of Directors, are Independent Directors, and the Chairs of these committees are Independent Directors, ensuring the appropriateness and transparency of the appointment and remuneration of Directors.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The Notice of the Ordinary General Shareholders' Meeting and reference materials are sent out roughly three weeks prior to the date of the meeting.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	We are avoiding dates which other companies are likely to choose for their meetings.
Electronic Exercise of Voting Rights	We have made it possible for shareholders to vote over the Internet.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	We have adopted the use of Electronic Voting Platform for Foreign and Institutional Investors operated by ICJ, Inc..
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	We prepare an English version of documents, including the Notice of the General Shareholders' Meeting, which is posted to the Sojitz website four weeks prior to the date of the meeting.
Other	<p>The Notice of the General Shareholders' Meeting and reference materials are posted on our website in both English and Japanese roughly four weeks prior to the date of the meeting, and these materials are also compatible for viewing on smartphones and tablets.</p> <p>We offer the shareholders the opportunity to submit questions and opinions in advance of the shareholders' meeting and some of the most important matters to shareholders will be addressed at the shareholders' meeting. Sojitz provides video clips on business briefings, and the event is live streamed as a virtual event and archived footage is provided.</p>

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The “Information Disclosure Policy” is published on the corporate website. https://www.sojitz.com/en/ir/management/policy/	
Regular Investor Briefings held for Individual Investors	Information meetings for individual investors were held, and archived footage of these videos was provided. In addition, Sojitz strives to maintain and strengthen information disclosure for individual shareholders by holding shareholder briefings for individual shareholders to provide opportunities for direct dialogue with the Sojitz management and issuing stakeholder communication magazines.	Held
Regular Investor Briefings held for Analysts and Institutional Investors	Sojitz holds dialogues with stakeholders through individual meetings as well as regular briefings on financial results and individual businesses. In addition to these efforts, Sojitz held a briefing on Integrated Report 2023 and a small meeting with Independent Directors in FY2023. For further details on these events, please refer to the Sojitz website. https://www.sojitz.com/en/ir/meetings/	Held
Regular Investor Briefings held for Overseas Investors	Direct dialogue with overseas investors was conducted through individual meetings (in person and online) with investors in North America, Europe, Hong Kong, Singapore, Australia, etc., as well as through participation in conferences hosted by securities companies.	Held

Online Disclosure of IR Information	We post integrated reports, securities reports, seminar materials, the stakeholder communication magazines, and video and audio recordings of briefings and Q&As on the corporate website in order to expand information provided. Investor Relations on Sojitz website: https://www.sojitz.com/en/ir/	
Establishment of Department and/or Placement of a Manager in Charge of IR	Investor Relations And Corporate Sustainability Department)	
Other	The company's basic policy on communication with shareholders is published on the Sojitz website. https://www.sojitz.com/en/ir/stkholder/dialog/	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	As expressed in the Sojitz Group Statement, Sojitz strives through its corporate activities to meet the diverse needs and expectations of our stakeholders throughout the world with integrity and to provide new value continuously. By doing so, Sojitz works to maximize two types of value: "value for Sojitz," including enhancement of the Sojitz Group's business foundation and sustained growth; and "value for society," such as development of national and local economies, environmental preservation and respect for human rights. To implement the Sojitz Group Statement and build stronger relationships of trust with stakeholders, Sojitz has established the guiding principles and standards such as "Sojitz Group CSR Action Guidelines for Supply Chains" and the "Sojitz Group Code of Conduct and Ethics," which all Group officers and employees are expected to honor, and formulated "Sojitz Group Environmental Policy" and "Sojitz Group Human Rights Policy" as sustainability policies in accordance with international norms such as the Ten Principles of the UN Global Compact, the Paris Agreement, and SDGs (Sustainable Development Goals). Sojitz ensures they are made known and thoroughly complied with by each Group company as well as their officers and employees.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	Sojitz seeks to continue creating "two types of value"—"value for Sojitz" and "value for society"—in the future. Sojitz has determined six Materiality (Key Sustainability Issues) to focus on in its business over the

medium- to long-term. Based on these key issues, we are striving to integrate our corporate activities with solutions to global environmental and social problems and to build systems for such integration.

<Materiality (Key Sustainability Issues)>

- Human Rights: Respect the human rights of people involved in our businesses
- Environment: Contribute to the global environment through our businesses
- Resources: Develop, supply and use sustainable resources
- Local Communities: Develop and grow together with local communities
- Human Resources: Promote opportunities for diverse human resources and workplace diversity
- Governance: Emphasize effectiveness and transparency

In light of global initiatives such as the Paris Agreement and the Sustainable Development Goals (SDGs), Sojitz aims to implement a concrete strategy to address universal issues in anticipation of the mid-to long-term as the company sees the “realization of a decarbonized society” and “respect for human rights within supply chains” as part of its responsibility to society. We have accordingly announced our own “Sustainability Challenge”, Sojitz’s long-term sustainability vision for 2050 as follows. In order to achieve this vision, Sojitz will expand its businesses aimed at achieving a low-carbon and recycling-based society, as well as strengthen its infrastructure-based businesses and services that will be essential during the transition period. At the same time, Sojitz will also develop its initiatives to consistently respect human rights.

< Sustainability Challenge: Sojitz’s Long-Term Sustainability Vision for 2050>

“We aim 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.”

Medium-term Management Plan 2023 stipulates the broadening of ongoing human rights initiatives along with the reinforcement of businesses that pave the way for a decarbonized, recycling-based society and the infrastructure-related businesses and services that will be imperative to the transition

	<p>towards such a society.</p> <p>Please refer to Supplementary Principles 2-3① and 3-1③ of “Sojitz's Approach to Corporate Governance Code Principles” at the end of this report or visit the Sojitz website for more details.</p> <p>https://www.sojitz.com/en/csr/environment/</p>
Formulation of Policies, etc. on Provision of Information to Stakeholders	<p>Our 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 our website immediately after resolution by the Board of Directors.</p>
Other	<p>Please refer to Supplementary Principle 2-4 ① of “Sojitz's Approach to Corporate Governance Code Principles” at the end of this report for details on our initiatives and progress toward the promotion of women, non-Japanese employees, and mid-career recruits to management-level positions.</p> <p>For further details on our approach to sustainability, please refer to the Sojitz website.</p> <p>https://www.sojitz.com/en/sustainability/</p>

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

Based on the Sojitz Group Statement, Sojitz has developed internal control systems including regulations, organizations, and structures. The “Basic policy regarding the establishment of systems for ensuring appropriate execution of Sojitz Group business operations” was resolved as follows by the Board of Directors on June 18, 2024, based on the Companies Act and the Regulations for Enforcement of the Companies Act of Japan.

1) Basic Concept

1. System to Ensure that the Execution of Duties by the Directors and Employees of Sojitz and its Subsidiaries Complies with Laws, Regulations and its Articles of Incorporation

- Sojitz will establish procedures to ensure thorough compliance in the “Sojitz Group Compliance Program,” and will enact a “Sojitz Group Code of Conduct and Ethics” to ensure that the Sojitz Group’s officers and employees comply with laws, regulations, articles of incorporation and internal rules.
- Sojitz, in an effort to ensure the Sojitz Group’s compliance with relevant laws and regulations, will promote the development of a compliance system centered around the Compliance Committee, and will clarify the division of duties for each department within Sojitz and the management personnel who are responsible at Sojitz’s group companies.
- Sojitz will not have any relations with antisocial forces including in transactions, and will adopt a resolute stance that includes legal actions against unjust demands, and further, will endeavor to ensure that this same posture is thoroughly undertaken in the Sojitz Group.
- Sojitz will establish internal rules on procedures and the like for the preparation of financial statements that conform with laws, regulations and accounting standards, to ensure the appropriateness of the Sojitz Group’s consolidated financial reports.
- Sojitz will establish the Internal Audit Department as a body that is independent from the other business executing divisions. The Internal Audit Department will conduct internal audits to verify that the Sojitz Group is appropriately carrying out business activities as well as business management and like matters in compliance with laws, regulations and internal rules.

2. System for the Retention and Control of Information Related to the Execution of Duties by Sojitz’s Directors

- Sojitz will establish retention periods and the division that is responsible for retention, and will control important documents, including the minutes of the Board of Directors and circulated decision documents, related to the execution of duties by Sojitz’s Directors in accordance with the Board of Directors Rules and the internal rules related to the control of documents and information.

3. Rules and Other Systems for the Management of the Risks of Loss at Sojitz and its Subsidiaries

- Sojitz will identify and classify the various internal and external risks tied to losses at the Sojitz Group and will establish internal rules and response procedures as well as responsible divisions for these risks, in an effort to prevent losses at the Sojitz Group and to minimize the losses that are incurred. In addition, it will continually confirm and improve the

effectiveness thereof, and will promptly address any new risks faced by the Sojitz Group with changes in the business environment.

- Sojitz will establish internal rules on policies and programs to address natural disasters, terrorism, wars, crime, riots, infectious diseases and other unforeseen events caused by external factors, in order to manage risk.
- Sojitz will engage in the appropriate management of risk by introducing rules and requiring the establishment of the necessary risk management systems, in proportion to content and scale of business at the Sojitz's group companies.

4. System to Ensure the Efficient Execution of Duties by the Directors of Sojitz and its Subsidiaries

- Sojitz will clarify the division of roles for its Directors and Executive Officers, and will establish internal rules and the like regarding the division of duties, chain of command, authority and decision-making procedures for the various divisions within the company.
- Sojitz will set out those important matters that are to be resolved by the Board of Directors in the "Board of Directors Rules," will delegate decisions on other important matters to the Executive Directors, and will establish a Management Committee, other councils and committees, and other business execution bodies. In addition, it will set out those matters that are reported by Executive Directors to the Board of Directors, and create a system for effective monitoring by the Board of Directors.
- Sojitz will establish a division to supervise the management and operating systems at Sojitz's group companies, and will ensure the efficiency of Sojitz Group's management to promote group management.
- The Sojitz Group's management policies determined by Sojitz's Board of Directors, Management Committee and the like will be promptly disseminated within the Sojitz Group, and will be made known to the Sojitz Group's officers and employees both verbally and in writing.
- Sojitz will establish management plans on a consolidated basis, and will share management goals and indicators within a group.

5. System to Ensure the Properness of Business within the Corporate Group Consisting of Sojitz and its Subsidiaries

- Sojitz, in its "Basic Code of Group Management" and other internal rules related to group management, will be sure to set out the lead management in charge of Sojitz's group companies, will seek prior consultation with its group companies regarding important matters, and will impose a duty that reports that include annual business reports and business activity reports be provided to Sojitz on a regular basis.
- Sojitz's Internal Audit Department will conduct internal audits of its group companies to verify the appropriateness of business.

6. System to Ensure the Effective Implementation of Audits by Sojitz's Audit and Supervisory Committee

(1) System to Assist in the Duties of the Audit and Supervisory Committee

- Sojitz will assign persons who are well-versed in Sojitz Group's business and operations, and who have knowledge of finances, accounting and risk management to serve as employees to assist in the duties of the Audit and Supervisory Committee. These employees will carry out their duties in accordance with the directions of the Audit and Supervisory

Committee, and their evaluations and transfers will be made through discussions with the Audit and Supervisory Committee.

(2) System for Reporting to the Audit and Supervisory Committee

- Sojitz's Directors and executive officers must immediately provide reports to the Audit and Supervisory Committee when discovering facts which may cause significant damages to Sojitz.
- The division in charge of Sojitz Group's whistleblower system will provide regular reports to the Audit and Supervisory Committee, via the Compliance Committee or the like, regarding the status of whistleblower reports from the group's officers and employees.
- Sojitz's Internal Audit Department will provide regular reports regarding internal audits to the Audit and Supervisory Committee.
- The Audit and Supervisory Committee will be entitled to seek reports from Accounting Auditors, Sojitz's Directors and others as needed.
- Sojitz will not engage in detrimental treatment toward officers and employees of the Sojitz Group who submit reports via the whistleblower system or the like (including reports to the Audit and Supervisory Committee or the like), by reason of their provision of these reports.

(3) Other Systems to Ensure the Effective Implementation of Audits by Sojitz's Audit and Supervisory Committee

- Sojitz will allocate the expenses required for the Audit and Supervisory Committee to carry out its duties.
- A system will be established wherein the Audit and Supervisory Committee Members selected by the Audit and Supervisory Committee will be entitled to attend meetings of Sojitz's Management Committee and other important meetings to gain a direct recognition of the status of deliberations and reports on important matters.
- Sojitz's Representative Directors will regularly hold meetings with the Audit and Supervisory Committee to exchange opinions regarding the issues that should be addressed by the company, the state of audit environment improvements at the Audit and Supervisory Committee, important audit related issues, and like matters.

2) Status of implementation and operation (FY2024)

● Overall internal control system

The Internal Control Committee, which is an executing body under the management of the President, consolidates and monitors the status of implementation and operation of the internal control system, and leads maintenance and improvement of our internal control systems.

(Overview of operational status)

The Internal Control Committee oversees the implementation and enforcement of the overall internal control system and conducts periodic monitoring. Through these activities, the Committee also identifies issues and considers countermeasures related to the internal systems and frameworks, points out these issues to the relevant departments, and makes improvements. In addition, the Committee monitors progress on assessments of internal controls with regards to financial

reporting, based on the Financial Instruments and Exchange Act, thereby working to ensure the reliability of financial reporting.

The Internal Control Committee met 4 times during the fiscal year ended March 31, 2025, and reported the details of these meetings to the Board of Directors.

Each committee under the management of the President (Compliance Committee, Sustainability Committee, Security Trade Control Committee, Quality Management Committee, DX Promotion Committee, and Information and IT Systems Security Committee) and each working group (Disclosure Working Group and Business Continuity Management Working Group) discuss specific initiatives for their area of expertise.

● **Compliance**

Sojitz has established a Sojitz Group Compliance Program, which sets out procedures for achieving thorough compliance, and has also formulated a Sojitz Group Code of Conduct and Ethics, which provides common criteria for conduct that applies to Group officers and employees globally.

The Compliance Committee, chaired by the Chief Compliance Officer (CCO), leads the establishment of systems for promoting compliance with laws and regulations and corporate ethics at Group companies and overseas bases, such as appointing compliance supervisors and forming compliance committees.

To help prevent or quickly detect compliance violations, Sojitz has a hotline (internal reporting system) that provides access to the CCO and outside legal counsel; a consultation desk where the Compliance Committee Secretariat members can be contacted; and the multi-lingual Sojitz Ethics Hotline, which is available 24 hours a day, 365 days a year. These systems are made known to all Group officers and employees. In addition, a point of contact concerning the compliance of Sojitz has been established on the website of Sojitz, to collect any reports from outside of the Company.

To prevent corruption, Sojitz has also established the Sojitz Group Anti-Corruption Policy and the Guidelines for Sojitz Group Anti-Corruption Policy, and has introduced corresponding rules at Group companies.

Sojitz formulated the Sojitz Group Basic Policy on Sanctions and Export Controls, in an effort to develop a safeguard structure against the risks associated with the violations of sanctions and export controls in Japan and overseas.

In addition, in expanding the business around the world, Sojitz has established the Sojitz Group Tax Policy regarding observance of tax compliance, optimization of tax costs, and relationships with tax authorities, and strived to fulfill its tax obligations in a timely and appropriate manner.

Sojitz has developed and implemented educational programs useful for business practice to ensure legal compliance and maintain a good working environment free of any kind of harassment, such as providing educational opportunities including e-learning.

(Overview of operational status)

Based on the action plan formulated by the Compliance Committee, Sojitz continues to provide counsel on how to prevent compliance issues from reoccurring, as well as providing assistance and guidance to Group companies on how to practice said Code of Conduct.

Specific activities related to compliance in the fiscal year ended March 31, 2025 included the following:

- The Compliance Committee held four times
- Meetings of the CCO with Chief Operation Officers and Presidents of Group companies
- Regular liaison meetings among the compliance staff of Group companies
- Regular liaison meetings with the compliance staff of overseas operating sites
- Training programs, seminars and briefings on important issues concerning the prevention of harassment and corruption
- Various training programs for newly hired employees, employees hired as mid-career professionals, employees on overseas assignments, and others
- Alert letters for scandals caused by consumption of alcohol
- Individual support for Sojitz's domestic operating companies through a risk-based approach to enhance the compliance system (cooperation in investigations, tailored training programs, etc.)

With regard to security trade control in particular, based on the action plans formulated by the Security Trade Control Committee, the committee secretariat is engaged in activities for preventing violations of sanctions and export controls while providing support and guidance to Group companies.

Specific activities carried out in the fiscal year ended March 31, 2024 included the following:

- Two meetings of the Security Trade Control Committee held
- Various training programs for newly hired employees, employees hired as mid-career professionals, employees on overseas assignments, and others
- Support for the revision and formulation of local security trade control-related regulations at overseas operating sites
- Support for responding to measures in concert with strengthened sanctions and others, due to changes in the security situation (including U.S.-China relations, situation in Myanmar, and Russia-Ukraine situation)

● **Risk management**

Sojitz has established risk management rules to deal with the various risks to which Sojitz is exposed in the course of its business operations. It manages and operates these rules in an aim to enhance the ongoing risk management structure. Also, Sojitz is enhancing its risk management capabilities in the first and second lines of the three-line model (first line: business divisions, second line: corporate departments, and third line: internal audits), which is the fundamental concept of internal control.

(Overview of operational status)

In the Group, the Internal Control Committee, an executing body under the management of the President, oversees Company-wide risk management, identifies major risks, and evaluates their importance after considering changes to the business environment. After this, it discusses and makes decisions on the risk response policy. In terms of individual risks, related corporate departments establish their own internal rules and aim to implement them fully. Also, through monitoring from a Company-wide perspective in internal committees, the Group aims for detailed responses to various risk characteristics.

The status of their implementation is monitored by the Internal Control Committee and reported to the Management Committee and the Board of Directors on a regular basis.

In addition, when changes in the business environment necessitate the strengthening of risk recognition and initiatives within the Group, or the need to address new areas of risk, these are reported to the management and addressed as appropriate. With the aim of strengthening first line and second line risk management capabilities, we are revising various regulations related to company-wide risk management in April 2025.

In addition, accepting the changes to the global environment and rising geopolitical risks, we take an approach toward combating specific risks that accounts for the entire supply chain, and enact flexible responses to the sudden materialization of risks by measuring the quantitative impact of the given risk event in order to strengthen our corporate resilience. In the year ended March 31, 2025, scenarios were formulated for geopolitical risks and disaster risks. These scenarios were examined through discussion by the Management Committee and between business and corporate divisions to assess the response measures to be implemented in the event that a risk materializes.

In the event of unforeseen circumstances, the Sojitz Group Basic Crisis Management Policy establishes the risk management framework for both normal conditions and emergency situations. Also, in the Sojitz Crisis Management Guidelines, the Group establishes the specific structure and roles in emergencies, laying the groundwork for a system that enables appropriate and timely decisions based on the situation and area where the crisis is occurring in order to take first response measures such as confirming and reporting the safety of employees and any physical damage, and preventing the spread of damage.

We are also working to raise awareness of the importance of risk response among Group employees by establishing or changing Group rules and guidelines, distributing the Internal Control Bulletin that summarizes key information such as precautions, and conducting self-inspections to check risk points for each organization.

In addition, we conduct constant education and enlightenment activities through various risk management training programs to improve the risk sensitivity of Group officers and employees..

● **Management of Group companies**

Each Group company has a management system under the supervision of the chief manager (COO of business and function divisions) based on the management system for Group companies' business operations defined in the Basic Code of Group Management and the Group Management Operation Regulations. The status of each system is monitored on a periodic basis.

In addition, Directors monitor business management of Group companies through the business division or corporate department staff who supervise these companies, or else the Directors, Audit and Supervisory Board Members, and others dispatched to Sojitz Group companies.

(Overview of operational status)

The management personnel presents the expected roles related to the Medium-Term Management Plan, management objectives, and management issues to the Presidents of the Group's consolidated companies, and the Presidents clearly indicate their initiative policy in response to these expectations to the management personnel. Sojitz receives regular reports from Sojitz Group companies, including annual business reports and monthly operating activity reports. Through the Directors and the Audit and Supervisory Board Members dispatched to each Group company, Sojitz manages and supervises Group companies, ensuring that they have established an appropriate management foundation and corporate

governance and that these are working correctly. As for the most important matters concerning the management of individual Group companies, execution of the most important business requires advance consultation with Sojitz to ensure appropriate management.

Additionally, in order to promote Group management, Sojitz makes efforts to disseminate the Group's management philosophy and policies through the establishment of individual company regulations based on the Group's management policies and through training sessions for Group companies' officers and employees.

Based on an audit plan adopted by the Board of Directors and under the supervision of the President, the Internal Audit Department of Sojitz conducts audits to investigate whether organizational governance, risk management, and internal controls are functioning appropriately in the Group companies. The Internal Audit Department also makes proposals for effective improvements to prevent losses and solve issues. Also, the audit results will be regularly reported to the Audit and Supervisory Committee, in addition to the President.

As part of the Group's efforts to further enhance the corporate governance of Group companies, in order to improve the effectiveness of the Board of Directors at each Group company, the "Guidance for management of the Board of Directors" has been formulated, and the operating status of the Board of Directors at each company has been monitored and reported regularly to the Management Committee and the Board of Directors at Sojitz.

In addition, training programs conducted by outside experts for newly appointed Directors and Audit and Supervisory Board Members at Sojitz Group companies are provided on a yearly basis.

● **Management and storage of information**

With respect to handling of important documents related to execution of duties such as the minutes of Board of Directors meetings, the responsible department shall appropriately manage such documents according to the retention period required by law based on guidelines including the Board of Directors Rules and internal rules for document retention, and shall make such documents available for viewing as necessary. As for the information related to business execution, a system is in place to monitor the status of operation by establishing rules that define the classification and confidentiality of the information. In addition, the Information and IT Systems Security Committee, chaired by the Chief Information Security Officer (CISO), is regularly held to strengthen the information security system.

(Overview of operational status)

With respect to information related to business execution, Sojitz regularly reviews the classification, management methods, and retention period of information as stipulated in the internal regulations, and makes efforts to ensure proper management. In addition, the Group has formulated guidelines on specific methods for the management and operation of information that requires particularly strict control, which is defined as "information requiring specific management," and has investigated the status of holding such information and provided instructions for improvement as necessary.

Furthermore, the Group has endeavored to bolster security governance across the board. Sojitz constantly reinforces its security measures by rolling out them to the whole Group such as by introducing software to early detect cyberattacks that are becoming increasingly sophisticated and to minimize their impact, conducting security risk assessments, and providing guidance for improvement. In addition, we plan to revise the IT Security Rules in FY2025 to strengthen account protection by increasing password complexity requirements.

The Information and IT Systems Security Committee met 2 times during the fiscal year ended March 31, 2025.

● **Effectiveness of audits by the Audit and Supervisory Committee**

(a) System to Assist in the Duties of the Audit and Supervisory Committee

Two Senior Auditors* are assigned to ensure the effectiveness of audits by the Audit and Supervisory Committee.

* Senior Auditors are persons who are familiar with the Group's business and operations and have knowledge of finance and accounting, risk management, and other relevant areas. They complement and support the duties of the Audit and Supervisory Committee from the same perspective as Audit and Supervisory Committee Members.

(Overview of operational status)

Based on the instructions of the Audit and Supervisory Committee, Senior Auditors properly assist the Audit and Supervisory Committee by accompanying on-site audits of consolidated subsidiaries in and outside Japan and attending various reporting meetings for internal audits.

(b) System for Reporting to the Audit and Supervisory Committee

In terms of reporting to Audit and Supervisory Committee, Sojitz has adopted a system which, in addition to the reports by the Directors, reports on matters required for auditing in a timely manner, such as reporting on Group-wide matters by various committees, including the Internal Control Committee and the Compliance Committee, as well as the Internal Audit Department, and business reports from the consolidated subsidiaries. Additionally, relevant regulations provide that persons who report to the Audit and Supervisory Committee will not receive disadvantageous treatment on account of having made the report.

For accounting audits, the Audit and Supervisory Committee receives explanations on the audit plan and regular reports on the audit status from the Accounting Auditor, shares information with each other, and establishes a system enabling efficient audits. Additionally, the Audit and Supervisory Committee monitors and verifies whether the Accounting Auditor maintains its independence and constantly evaluates the status of quality management of audits.

(Overview of operational status)

The Audit and Supervisory Committee receives reports in a timely fashion and in addition to regular meetings between Audit and Supervisory Committee Members and the Representative Director, and between Audit and Supervisory Committee Members and the Accounting Auditor, three-way audit meetings (Audit and Supervisory Committee, Accounting Auditor, and Internal Audit Department) are also conducted to further strengthen cooperation with the Accounting Auditor and the Internal Audit Department.

Furthermore, audits of domestic and overseas consolidated subsidiaries are conducted through on-site audits and remote audits using a web conferencing system to ensure sufficient communication.

(c) Other Systems to Ensure the Effective Implementation of Audits by Sojitz's Audit and Supervisory Committee

Sojitz will allocate the expenses required for the Audit and Supervisory Committee to carry out its duties. Also, Audit and Supervisory Committee Members selected by the Audit and Supervisory Committee will attend important meetings and

confirm the status of discussions and reporting directly, as well as exchange opinions with the Representative Director.

(Overview of operational status)

The Audit and Supervisory Committee Members selected by the Audit and Supervisory Committee will attend the Management Committee, Finance & Investment Deliberation Council, various internal committees (Internal Control Committee, Compliance Committee, Sustainability Committee, Security Trade Control Committee, Quality Management Committee, Information and IT Systems Security Committee), and audit reporting meetings each time. They will also report items that should be reported to the Audit and Supervisory Committee.

Interviews for opinion exchange with the Representative Director are held twice a year to exchange opinions regarding the issues that should be addressed by the company, the state of audit environment improvements at the Audit and Supervisory Committee, important audit related issues, and like matters.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

We shall ensure that the Sojitz Group does not enter into any business or other relationship with antisocial forces, and shall resolutely reject any improper request with legal measures if necessary.

With respect to measures against antisocial forces, we have clearly stipulated the elimination of relationships with antisocial forces in the Sojitz Group Code of Conduct and Ethics and Manual for Handling Antisocial Forces, to ensure full awareness and thorough implementation by all directors and employees of the Group. In addition, we have set up contact and consultation desks in the Legal Department.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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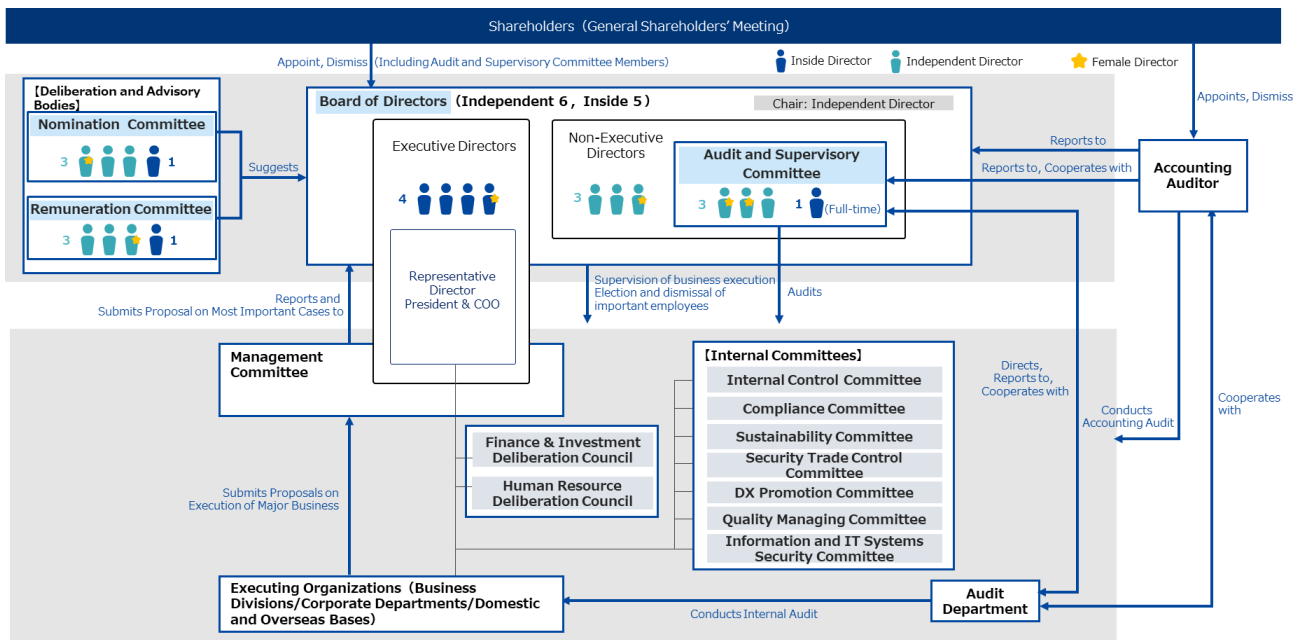
Supplementary Explanation for Applicable Items
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2. Other Matters Concerning the Corporate Governance System

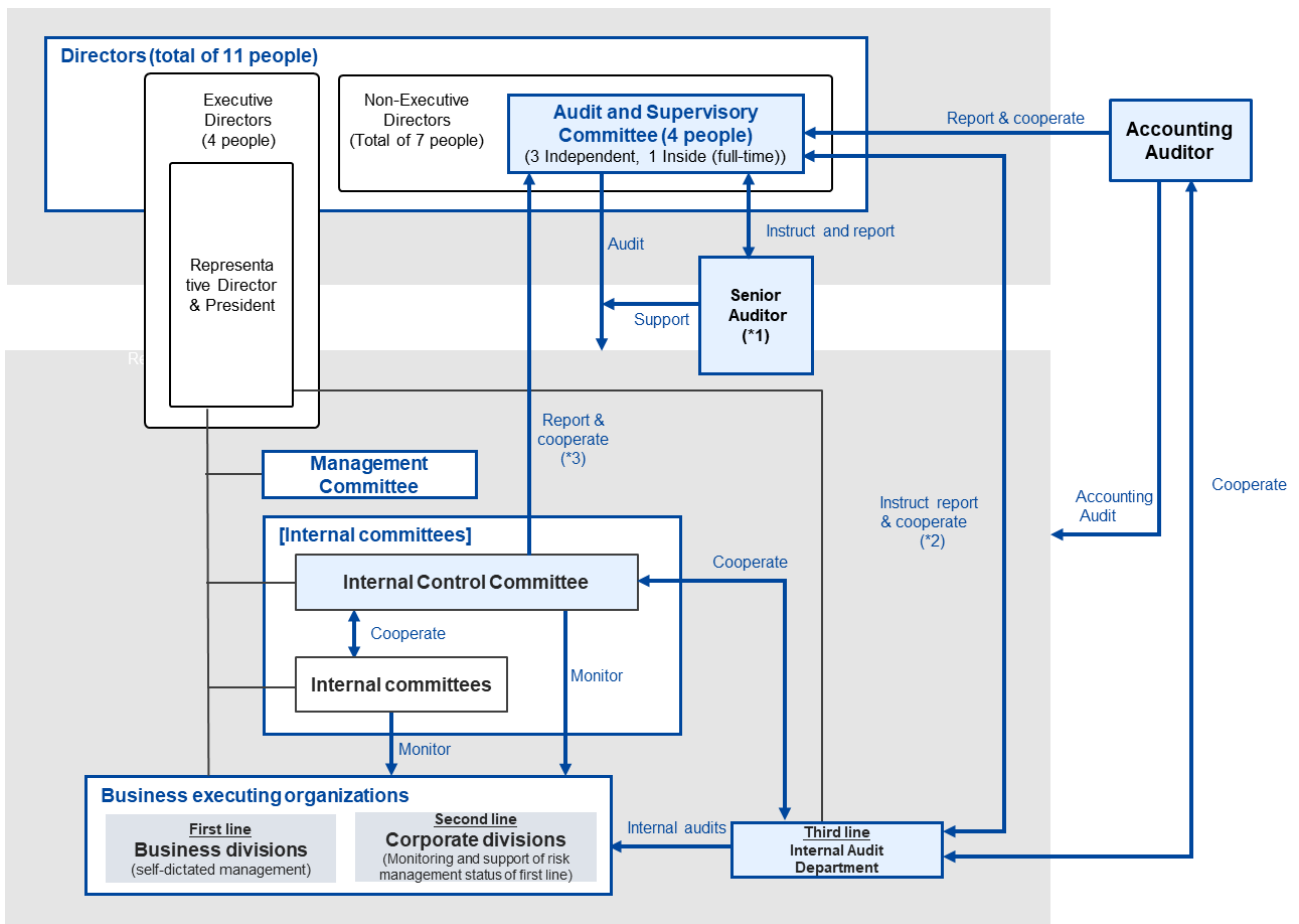
We have disclosed information of our basic rules of information disclosure, information subject to disclosure, and information disclosure framework on our website.

■Information Disclosure Policy : <https://www.sojitz.com/en/ir/management/policy/>

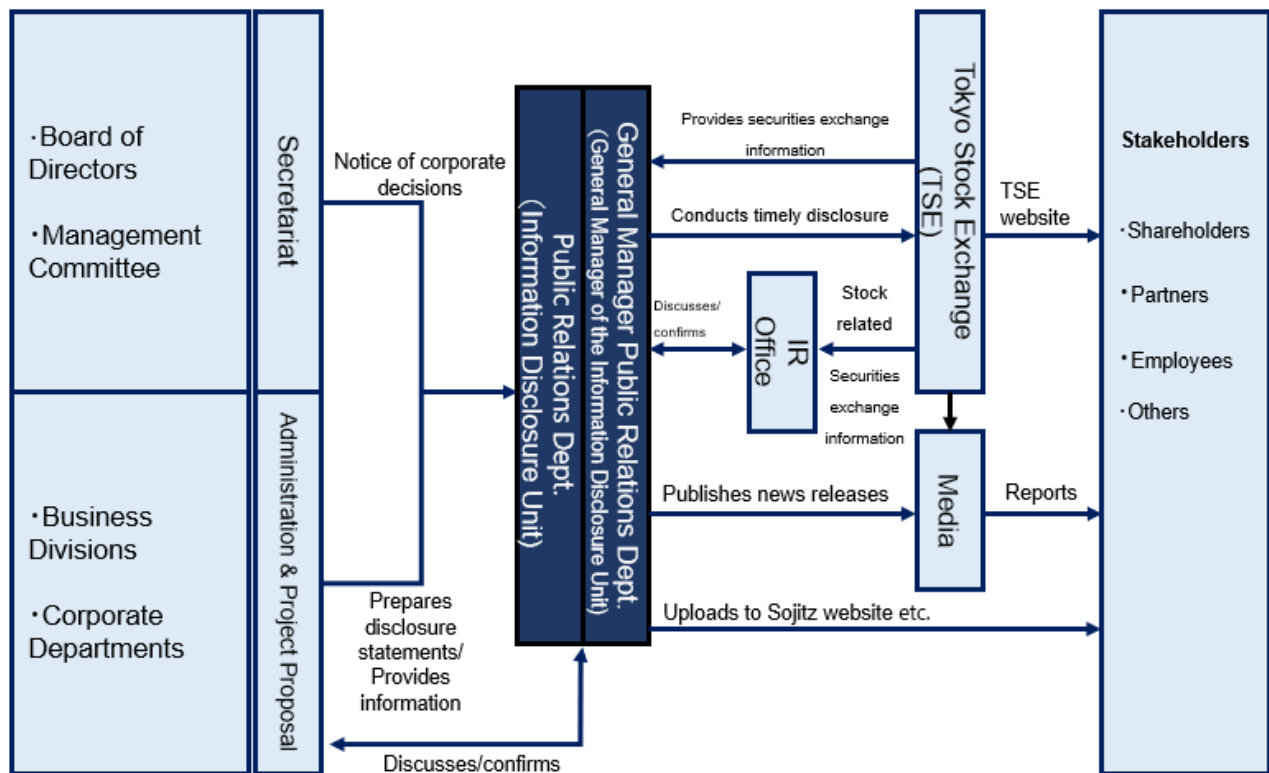
【Corporate Governance Framework】



【Audit system】



【Timely Disclosure Framework】



Sojitz's Approach to Corporate Governance Code Principles

Section 1: Securing the Rights and Equal Treatment of Shareholders

【General Principle 1】

Companies should take appropriate measures to fully secure shareholder rights and develop an environment in which shareholders can exercise their rights appropriately and effectively.

In addition, companies should secure effective equal treatment of shareholders.

Given their particular sensitivities, adequate consideration should be given to the issues and concerns of minority shareholders and foreign shareholders for the effective exercise of shareholder rights and effective equal treatment of shareholders.

- (1) The Company's core policy is to engage in constructive dialogue with shareholders in order to achieve sustainable growth and increase corporate value over the medium to long term. Pursuant to this policy, all shareholders are assured rights of substance that can be exercised accordingly.
- (2) We are mindful of fair disclosure rules, and our core policy is to share information with all shareholders fairly and equally. We also endeavor to make disclosures in English. Please refer to the Sojitz website for details on our basic policy and initiatives regarding communication with shareholders.
<https://www.sojitz.com/en/ir/stkholder/dialog/>

【Principle 1-1.】

Companies should take appropriate measures to fully secure shareholder rights, including voting rights at the general shareholder meeting.

- (1) The Company takes the measures required by law and also other suitable measures to secure rights of substance for all shareholders in accordance with the Companies Act.
- (2) The Company makes arrangements so that voting rights at the general shareholder meeting can be exercised in a variety of ways such as by attending the meeting in person, in writing, and via the Internet. The Company explains in detail how to exercise voting rights by sending convening notices for general shareholder meetings and through other means.

【Supplementary Principles 1-1①】

When the board recognizes that a considerable number of votes have been cast against a proposal by the company and the proposal was approved, it should analyze the reasons behind opposing votes and why many shareholders opposed, and should consider the need for shareholder dialogue and other measures.

In order to properly incorporate the opinions of shareholders into the management of the Company, we annually analyze the results of votes for and against resolutions from the general shareholders meeting, discuss them with the Board of Directors, and consider necessary measures to be taken, including measures with respect to proposals with a considerable number of negative votes.

【Supplementary Principles 1-1②】

When proposing to shareholders that certain powers of the general shareholder meeting be delegated to the board, companies should consider whether the board is adequately constituted to fulfill its corporate governance roles and responsibilities. If a company determines that the board is indeed adequately constituted, then it should recognize that such delegation may be desirable from the perspectives of agile decision making and expertise in business judgment.

- (1) The Articles of Incorporation provide that the Board of Directors, which consists of individual directors with specialized knowledge, can make resolutions with respect to certain matters that can be heard in the general shareholders meeting such as surplus dividends, share buybacks, and limited liability agreements.
- (2) The Board of Directors is structured in a manner that is thoroughly capable of carrying out its duties and obligations. It is composed of a total of 11 members, including 5 Inside Directors that are well versed in areas such as business management, finances/accounting, legal/risk management, business investments/M&A investments, and digital fields, as well as 6 Independent Directors who each have a wealth of experience and expert knowledge and are able to provide appropriate advice and proposals from an outside and objective standpoint. In addition, the Audit and Supervisory Committee, which audits and oversees the Board of Directors, includes a total of four members (one Full-time Inside Director and three Independent Audit and Supervisory Committee Members.)
- (3) We strive to provide thorough explanations of the concepts at work in the capital policy, including with respect to surplus dividends, by stating them in the medium-term management plan and the financial results briefing materials.

【Supplementary Principles 1-1③】

Given the importance of shareholder rights, companies should ensure that the exercise of shareholder rights is not impeded. In particular, adequate consideration should be given to the special rights that are recognized for minority shareholders with respect to companies and their officers, including the right to seek an injunction against illegal activities or the right to file a shareholder lawsuit, since the exercise of these rights tend to be prone to issues and concerns.

The Company takes care to give proper consideration to the procedures for minority shareholders so that they may exercise their rights without interference, including by stipulations in the internal rules regarding the management of stock.

【Principle 1-2.】

Companies should recognize that general shareholder meetings are an opportunity for constructive dialogue with shareholders, and should therefore take appropriate measures to ensure the exercise of shareholder rights at such meetings.

The Company gives proper consideration to constructive dialogue with shareholders and provides sufficient information for that purpose. To that end, the Company sends out convening notices for general shareholder meetings earlier and announces them on the website. We are improving the facilities available through conveniences such as providing the ability to exercise voting rights via the Internet and participate in the Electronic Voting Platform, and through live streaming general shareholders' meetings.

【Supplementary Principles 1-2①】

Companies should provide accurate information to shareholders as necessary in order to facilitate appropriate decision-making at general shareholder meetings.

- (1) The Company endeavors to enhance the content of convening notices and provide easy-to-understand information by using diagrams and photographs so that shareholders can make appropriate decisions at the general shareholder meetings.
- (2) Sojitz produces videos reporting on the Company's business activities and publishes them to the Sojitz website in an effort to provide shareholders with information and to promote understanding of Sojitz's activities.
- (3) In addition to the convening notices, the Company provides accurate information that helps shareholders to make appropriate decisions by posting information such as

securities reports, financial statements, integrated reports, and news releases for the past several years on our website in both Japanese and English.

【Supplementary Principles 1-2②】

While ensuring the accuracy of content, companies should strive to send convening notices for general shareholder meetings early enough to give shareholders sufficient time to consider the agenda. During the period between the board approval of convening the general shareholder meeting and sending the convening notice, information included in the convening notice should be disclosed by electronic means such as through TDnet or on the company's website.

- (1) The Company endeavors to send convening notices for general shareholder meetings roughly three weeks before the date of the general shareholder meeting to give shareholders sufficient time to consider the agenda while bearing in mind that sufficient time must be secured for an audit by a third-party accounting auditor.
- (2) In addition, the same information is also disclosed on TD-net and our website in English about four weeks before the date of the general shareholders meeting.

【Supplementary Principles 1-2③】

The determination of the date of the general shareholder meeting and any associated dates should be made in consideration of facilitating sufficient constructive dialogue with shareholders and ensuring the accuracy of information necessary for such dialogue.

- (1) The Company recognizes that the general shareholders meeting is an important place for dialogue with shareholders and has set a schedule so that more shareholders can participate.
- (2) In addition, in order to give shareholders sufficient time to consider the general shareholder meeting agenda, the Company sends out convening notices early and discloses them on the website.
For details, refer to Supplementary Principle 1-2②.

【Supplementary Principles 1-2④.】

Bearing in mind the number of institutional and foreign shareholders, companies should take steps for the creation of an infrastructure allowing electronic voting, including the use of the Electronic Voting Platform, and the provision of English translations of the convening notices of general shareholder meeting. In particular, companies listed on the Prime Market should make the Electronic Voting Platform available, at least to institutional investors.

- (1) In consideration of the exercise of voting rights by institutional investors and overseas investors, the Company has also provided for the ability to exercise voting rights via the Internet and through the use of the Electronic Voting Platform.
- (2) In addition, the Company has taken the number of overseas investors into account by publishing both English and Japanese translations of convening notices at the same time.

【Supplementary Principles 1-2⑤】

In order to prepare for cases where institutional investors who hold shares in street name express an interest in advance of the general shareholder meeting in attending the general shareholder meeting or exercising voting rights, companies should work with the trust bank (*shintaku ginko*) and/or custodial institutions to consider such possibility.

- (1) The Company has also provided for the ability to exercise voting rights through the use of the Electronic Voting Platform so that institutional investors whose shares are held in the name of trust banks can exercise their voting rights themselves.
- (2) In addition, the Company will try to accommodate a request from an institutional investor that cannot use the Electronic Voting Platform by contacting the trust bank, etc. that is the nominee and that can use the Electronic Voting Platform to respond appropriately.

【Principle 1-3.】

Because capital policy may have a significant effect on shareholder returns, companies should explain their basic strategy with respect to their capital policy.

- (1) The capital policy is stated in the medium-term management plan and is disclosed on our website and the TSE (TD-net).

- (2) In our three-year plan entitled “Medium-term Management Plan 2026 ~Set for Next Stage~” (hereinafter referred to as “Medium-term Management Plan 2026”) which started in April 2021, we set forth the basic financial policy, including the profit plan and the capital policy, along with the profit target, and quantitative targets such as Return on Equity (ROE).

Please refer to the Sojitz website for details on Medium-term Management Plan 2026.

https://s3-ap-northeast-1.amazonaws.com/sojitz-doc/pdf/en/corporate/strategy/plan/chukei2026e_240501.pdf

【Principle 1-4.】

When companies hold shares of other listed companies as cross-shareholdings, they should disclose their policy with respect to doing so, including their policies regarding the reduction of cross-shareholdings. In addition, the board should annually assess whether or not to hold each individual cross-shareholding, specifically examining whether the purpose is appropriate and whether the benefits and risks from each holding cover the company’s cost of capital. The results of this assessment should be disclosed.

Companies should establish and disclose specific standards with respect to the voting rights as to their cross- shareholdings, and vote in accordance with the standards.

(1) Policies for Shareholdings Under Medium-term Management Plan 2026

Each year, we conduct a quantitative assessment of listed shares held in each company as part of our shareholding policy to ensure that dividends or related profit earned from those shares exceeds the weighted average cost of capital. We also conduct a qualitative assessment, looking at whether the shares help improve our corporate value. Based on these assessments, we examine the value of retaining these shares. We retain those that are deemed to be worthwhile, seeking ways to achieve a greater impact and benefit from those shares. Meanwhile, for those shares which are deemed to lack significant value, we set a deadline to improve their value, or, if there is no indication these shares will improve, we examine the possibility of divestiture. The Board of Directors and the Management Committee conducts this assessment for each lot of shares held in each company.

(2) The results of the FY2024 assessment can be found below.

- Regarding the listed shares that we continue to hold as cross-shareholdings, for the sum total shares held as part of our shareholding policy, we confirmed that the profit achieved through possession of the shares exceeds the equity cost to the Company.
- We assessed shares held in each company individually, looking for whether profit achieved through possession of the shares exceeded the equity cost to the Company, as well as whether holding the shares helped improve corporate value for the Company.
- For shares that we deemed to now be lacking in significant value, we set deadlines over which we will aim to improve their value, or else consider their sale.

(3) Exercising Voting Rights

Based on the significance of holding shares in listed companies, we exercise our voting rights based on whether they contribute to sustainable growth and improved corporate value over the medium-to-long term for both the Company and the investment target. We also have a system of monitoring the status of the exercise of voting rights.

【Supplementary Principles 1-4①】

When cross shareholders (i.e., shareholders who hold a company's shares for the purpose of cross- shareholding) indicate their intention to sell their shares, companies should not hinder the sale of the cross- held shares by, for instance, implying a possible reduction of business transactions.

When cross shareholders indicate an intention to sell stock, the Company does not hinder the sale of the stock by, for example, suggesting a reduction of existing transactions.

【Supplementary Principles 1-4②】

Companies should not engage in transactions with cross- shareholders which may harm the interests of the companies or the common interests of their shareholders by, for instance, continuing the transactions without carefully examining the underlying economic rationale.

Regardless of whether or not the shareholder is a cross shareholder, the Company thoroughly verifies the economic rationale of transactions and does not conduct transactions that may harm the common interests of the Company and the shareholders.

【Principle 1-5.】

Anti-takeover measures must not have any objective associated with entrenchment of the management or the board. With respect to the adoption or implementation of anti-takeover measures, the board and *kansayaku* should carefully examine their necessity and rationale in light of their fiduciary responsibility to shareholders, ensure appropriate procedures, and provide sufficient explanation to shareholders.

The Company does not plan to introduce antitakeover measures.

【Supplementary Principle 1-5①】

In case of a tender offer, companies should clearly explain the position of the board, including any counteroffers, and should not take measures that would frustrate shareholder rights to sell their shares in response to the tender offer.

In the event that a tender offer is made for the shares of the Company, an opinion of the Board of Directors of the Company will be prepared in accordance with Article 27-10 of the Financial Instruments and Exchange Act, and the Company will promptly disclose the report to our shareholders in order to provide information that will help them to decide whether to respond to the offer.

【Principle 1-6.】

With respect to a company's capital policy that results in the change of control or in significant dilution, including share offerings and management buyouts, the board and *kansayaku* should, in order not to unfairly harm the existing shareholders' interests, carefully examine the necessity and rationale from the perspective of their fiduciary responsibility to shareholders, should ensure appropriate procedures, and provide sufficient explanation to shareholders.

When adopting a capital policy that causes a change in control or a significant dilution, the Board of Directors will thoroughly consider the necessity and rationale therefor and ensure that appropriate procedures are followed in light of relevant laws and regulations. In addition, we will fully explain the background and purpose for such a capital policy so that the shareholders can understand.

【Principle 1-7.】

When a company engages in transactions with its directors or major shareholders (i.e., related party transactions), in order to ensure that such transactions do not harm the interests of the company or the common interests of its shareholders and prevent any concerns with respect to such harm, the board should establish appropriate procedures beforehand in proportion to the importance and characteristics of the transaction. In addition to their use by the board in approving and monitoring such transactions these procedures should be disclosed.

We specify in our Board of Directors Rules that significant transactions between the Company and its major shareholders (shareholders owning at least 10% of the Company's outstanding shares) must be included as resolution items for the Board of Directors. Additionally, the following transactions must be approved by and reported to the Board of Directors: competitive or self-dealing transactions by a Director, and transactions involving any conflict of interest between a Director and the Company.

Section 2: Appropriate Cooperation with Stakeholders Other Than Shareholders

【General Principle 2】

Companies should fully recognize that their sustainable growth and the creation of mid- to long-term corporate value are brought about as a result of the provision of resources and contributions made by a range of stakeholders, including employees, customers, business partners, creditors and local communities. As such, companies should endeavor to appropriately cooperate with these stakeholders.

The board and the management should exercise their leadership in establishing a corporate culture where the rights and positions of stakeholders are respected and sound business ethics are ensured.

- (1) In order to maximize the “two values (value that Sojitz gains and value that society earns)” through our business activities, we strive to diligently cooperate with our stakeholders.
- (2) Sojitz aims to create and enhance its corporate value by pursuing competitiveness and growth and by proposing solutions that meet market needs and address societal problems. To achieve this, Sojitz is focusing on efforts that exercise the full potential of its employees and networks, such as initiatives for co-creation and sharing with stakeholders inside and outside the Company.
Please refer to Supplementary Principle 3-1③ for more details.
- (3) Our President's message based on the above is regularly sent to all executives and employees of the Sojitz Group to foster a corporate culture and atmosphere that respects the rights and positions of various stakeholders and sound business ethics.

【Principle 2-1.】

Guided by their position concerning social responsibility, companies should undertake their businesses in order to create value for all stakeholders while increasing corporate value over the mid- to long-term. To this end, companies should draft and maintain business principles that will become the basis for such activities.

Based on the articles of the Sojitz Group Statement and the Sojitz Group Slogan, 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.

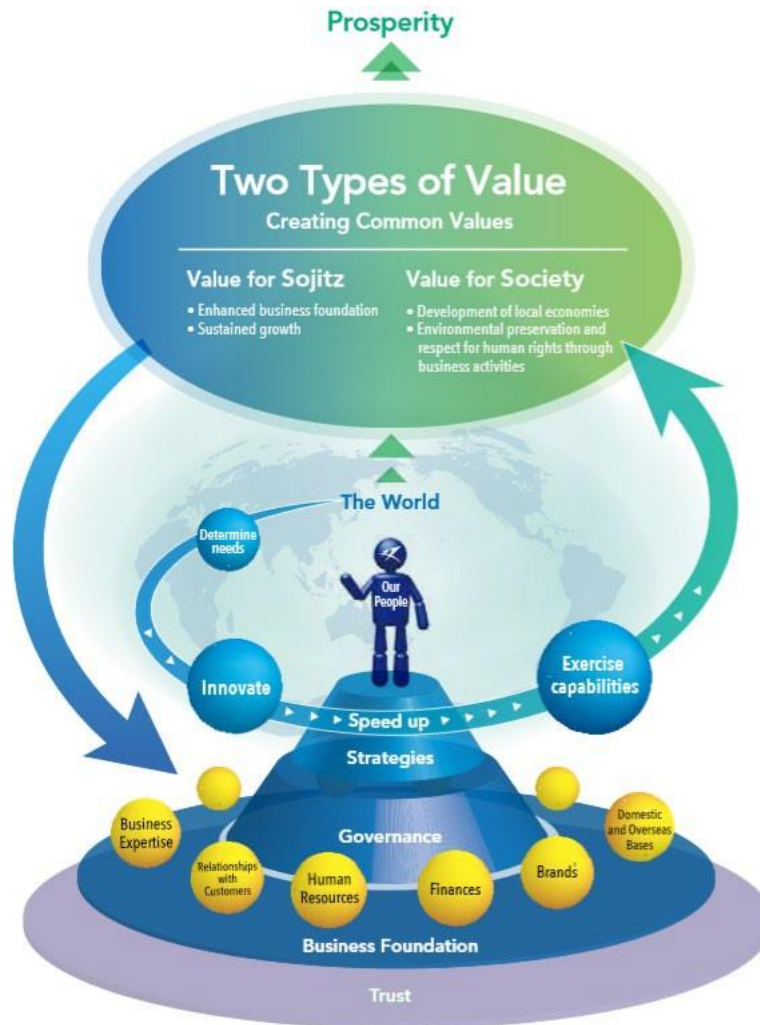
(Sojitz Group Statement)

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)



【Principle 2-2.】

Companies should draft and implement a code of conduct for employees in order to express their values with respect to appropriate cooperation with and serving the interests of stakeholders and carrying out sound and ethical business activities. The board should be responsible for drafting and revising the code of conduct, and should ensure its compliance broadly across the organization, including the front line of domestic and global operations.

- (1) In addition to the Sojitz Group Statement, the Company has established the Sojitz Guiding Principles for creating value for all stakeholders by aligning strong, capable individuals. These principles and action guidelines have been formulated and revised by the Board of Directors and are made known to all executives and employees of the Sojitz Group through postings on our intranet.

<Sojitz Guiding Principles>

The Sojitz Group aims to create value for our stakeholders by aligning our strong, capable individuals under the following 5 principles:

1. Trust: Build enduring trust.
2. Innovation: Innovate with foresight.
3. Speed: Strive for speed.
4. Challenge: Take calculated risks.
5. Perseverance: Persevere until successful.

- (2) In addition to the above, the Company has established the “Sojitz Group Code of Conduct and Ethics”, and other codes of conduct, which we disseminate to all executives and employees of the Sojitz Group, asking them to put them into practice.

Please refer to Supplementary Principle 2-3① for more details on Sojitz policies.

【Supplementary Principle 2-2①】

The board should review regularly (or where appropriate) whether or not the code of conduct is being widely implemented. The review should focus on the substantive assessment of whether the company’s corporate culture truly embraces the intent and spirit of the code of conduct, and not solely on the form of implementation and compliance.

- (1) The status of implementation of the Code of Conduct, including guidelines and policies related to compliance and the environment, is reviewed by the Board of Directors, which regularly receives reports from related internal committees.

- (2) Regarding the five Guiding Principles, we have prepared a structure whereby each organization and each individual sets action goals in line with the Guiding Principles, which serve as the basic code of conduct for all Sojitz employees, and these goals are reviewed at the end of the term.

【Principle 2-3.】

Companies should take appropriate measures to address sustainability issues, including social and environmental matters.

We take appropriate measures to address sustainability issues such as social and environmental matters.

For details, refer to Supplementary Principle 2-3①.

【Supplementary Principle 2-3①】

The board should recognize that dealing with sustainability issues, such as taking care of climate change and other global environmental issues, respect of human rights, fair and appropriate treatment of the workforce including caring for their health and working environment, fair and reasonable transactions with suppliers, and crisis management for natural disasters, are important management issues that can lead to earning opportunities as well as risk mitigation, and should further consider addressing these matters positively and proactively in terms of increasing corporate value over the mid-to long-term.

- (1) Sojitz Group conducts business activities based on its corporate statement of creating two types of value with stakeholders. One type is “value for Sojitz,” which includes the expansion of Sojitz Group’s business foundation and the realization of sustainable growth. The other is “value for society,” which includes economic development at the national and regional level and the protection of human rights and the environment. By maximizing these areas of shared value, Sojitz aims to realize sustainable growth for both Sojitz Group and society.
- (2) In order to maximize these two types of value, we set the six materiality (key sustainability issues) as the themes to support the sustainable growth of Sojitz Group in the medium- to long-term and to practice them through our corporate activities. We have also announced our long-term sustainability vision for 2050, the “Sustainability Challenge” (detailed below), in order to address issues that are particularly pertinent for general trading companies, such as climate change and protecting human rights within supply chains. We are striving to mitigate risk while seeking out earnings opportunities in order to realize this vision.

Please refer to the Sojitz website for details.

- Materiality (Key Sustainability Issues):
<https://www.sojitz.com/en/sustainability/materiality/>
- Sustainability Challenge: Sojitz's Long-Term Vision for 2050:
<https://www.sojitz.com/en/sustainability/policy/challenge/>

(3) In addition, we have established the following guiding sustainability-related principles and standards to be followed by all Sojitz Group members, which are also in line with international standards such as the ten principles of the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises of the United Nations Global. We aim to promote understanding of these policies among all members of Sojitz Group.

- Sojitz Group CSR Action Guidelines for Supply Chains:
https://www.sojitz.com/en/sustainability/policy/supply_chains/
- Sojitz Group Code of Conduct and Ethics:
https://www.sojitz.com/en/sustainability/sojitz_esg/g/compliance/
- Sojitz Group Environmental Policy:
<https://www.sojitz.com/en/sustainability/policy/environment/>
- Sojitz Group Human Rights Policy:
<https://www.sojitz.com/en/sustainability/policy/humanrights/>

(4) The Sustainability Committee, which is chaired by our President, holds discussions and reviews policies, goals, and measures regarding issues related to sustainability. In addition, the committee makes regular reports to the Board of Directors on sustainability policies and the progress of sustainability efforts. The Board reflects the opinions and advice received through these reports in company initiatives. Additionally, the Board of Directors monitors how we respond to environmental and social risks such as climate change and human rights issues, which the company categorizes as key risks. The Sustainability Committee makes regular reports on these risks to the Board of Directors.

(5) At Sojitz Group, we consider our employees to be our greatest asset. We thus feel it is our responsibility to create a safe, comfortable, and rewarding work environment that contributes to the mental and physical well-being of our staff and of their families. In March 2018, we established the Sojitz Healthy Value charter to guide efforts to protect and improve employee health. This move was based on our belief that when highly motivated employees are able to realize their full potential, Sojitz will be able to enhance its capabilities as an organization. Another consideration was our commitment to creating value and prosperity. Guided by this charter, we are implementing various physical health, mental health, and women's health

measures to help prevent illnesses and promote health. Sojitz has been selected as a KENKO Investment for Health Stock in 2025 as an enterprise that has made strategic efforts to address employee health from a management perspective (This 2025 year marks Sojitz's third time and second consecutive year being selected). Sojitz has also been certified under the 2025 Certified KENKO Investment for Health Outstanding Organizations Recognition Program as a "White 500" company for three consecutive years and six times in total.

Please refer to the Sojitz website for more information.

- Our Commitment to "Sojitz Healthy Value":
https://www.sojitz.com/en/sustainability/sojitz_esg/s/health/
- KENKO Investment for Health 2025:
<https://www.sojitz.com/en/corporate/evaluation/>

(6) As the head of occupational health and safety for the company, the president collaborates with Human Capital Department 1, Human Capital Department 2, the Sojitz Health Insurance Society, and the Sojitz Labor Union to plan and implement a wide range of measures to promote health and diversity management. Through this framework, Sojitz works to promote employee health and improve productivity throughout Sojitz Group.

(7) Please refer to the Sojitz website for more information regarding our sustainability efforts.

- Sustainability overview: <https://www.sojitz.com/en/csr/>
: https://www.sojitz.com/en/csr/sojitz_esg/
- Climate change initiatives: https://www.sojitz.com/en/csr/sojitz_esg/e/climate.php
- Human rights initiatives: https://www.sojitz.com/en/csr/sojitz_esg/s/human_rights.php
- Employee health and workplace management:
https://www.sojitz.com/en/csr/sojitz_esg/s/health.php
https://www.sojitz.com/en/csr/sojitz_esg/s/practice.php
- Fair and compliant trading:
https://www.sojitz.com/en/csr/sojitz_esg/g/compliance.php
https://www.sojitz.com/en/sustainability/sojitz_esg/s/responsibility/
- Crisis management: https://www.sojitz.com/en/csr/sojitz_esg/s/health.php
- Information security: https://www.sojitz.com/en/csr/sojitz_esg/g/risk.php#a07

【Principle 2-4.】

Companies should recognize that the existence of diverse perspectives and values reflecting a variety of experiences, skills and characteristics is a strength that supports their sustainable growth. As such, companies should promote diversity of personnel, including the active participation of women.

- (1) In accordance with the theme of transforming diversity into competitiveness, Sojitz utilizes diversity to respond to volatile market environment and generate the organizational capabilities that underpin the swift generation of value.
- (2) In addition to the promotion of women in the workplace and other ongoing initiatives to advance diversity, Sojitz strives to create a work environment where employees can leverage options such as telework and flexibly choose from a diverse range of work styles.
- (3) As part of Sojitz Group's Human Capital Strategy, the Company has announced the following three goals: 1) Build diverse teams of employees who independently take on new challenges and achieve growth, 2) Strengthen section managers' ability to maximize the full potential of each individual, and 3) Anticipate a volatile environment and flexibly allocate human capital. Sojitz has also promoted opportunities for cross-organizational collaboration including the Hassojitz Project, a project for creating new business launched in 2019. We are also increasing opportunities for employees to experience personal growth through company initiatives such as sending young employees on overseas assignments and long-term trainee programs. Sojitz also offers programs that empower employees to broaden their career paths while bringing new energy to their organizations. These programs include the job rotation system, which enables employees to acquire a diverse range of expertise and skills in different positions within the company, and the internal recruitment system, which allows employees to carve out their own unique career path by voluntarily applying for development opportunities. The Company will continue to help employees realize their desired career paths in an effort to link individual growth to the growth of organizations and by extension the Company, thereby driving the creation of new business.

【Supplementary Principle 2-4①】

Companies should present their policies and voluntary and measurable goals for ensuring diversity in the promotion to core human resources, such as the promotion of women, foreign nationals and midcareer hires to middle managerial positions, as well as disclosing their status. In addition, in light of the importance of human resource strategies for increasing corporate value over the mid-to long-term, companies should present its policies for human resource development and internal environment development to ensure diversity, as well as the status of their implementation.

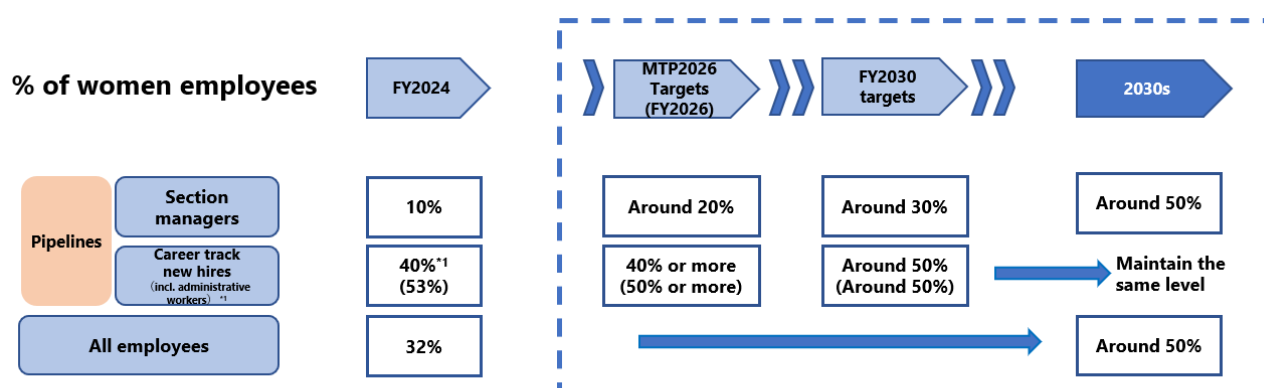
(1) Ensuring Diversity

Sojitz seeks to leverage the diversity of its human resources to respond to the rapidly changing market environment and become an organization that can always create new business with great speed. In order to do so, Sojitz has continued to actively hire and promote a diverse workforce, that includes women, foreign nationals, and mid-career hires with diverse work experience. We have also been promoting initiatives that include creating a work environment which makes full use of the unique qualities and abilities of each employee and other employee development programs.

① Promotion of Women to Management-Level Positions

At Sojitz, Human Capital Department responsible for diversity management to advance various diversity promotion initiatives. Moreover, the empowerment of female employees has been defined as a top priority for human resource strategies given its importance in linking diversity to competitiveness in the form of innovation, and in order to create an equitable workplace in which talent allocation is based on an individual's capabilities for a role as opposed to gender-based preconceptions.

We aim to raise the ratio of female employees to approximately 50% during the 2030s, and Sojitz has also set the target of raising the ratio of female section managers to 50% during the same period. Sojitz is bolstering its human resource pipelines among all age groups while helping employees gain experience. We are also taking steps to eliminate gender gaps in work experience and help women continue working even while undergoing life events. These efforts are aimed at increasing the representation of women in management decision-making.



*1 Joined Sojitz on April 1, 2025

*2 Established a system that allows mutual job transfers between career track and administrative workers

- The ratio of female section managers was 10% as of March 31, 2025, against the target of 10% or more.
- The ratio of new female graduates hired as general employees has consistently been over 30% since FY2018 (40% for those joining in April 2025).
- (Reference) For the ratio of female career track employees with domestic or overseas working experience, please refer to Supplementary Principle 2-4①(3) for details on the human capital KPIs.
- (Reference) Out of 11 Directors, four are female Directors (as of March 31, 2025, the ratio of female Directors is 36%)
- (Reference) There are three female Executive Officers, one of whom is a Director and Senior Managing Executive Officer (as of March 31, 2025, the ratio of female executives is 18%).

Thanks to these initiatives to promote women in the workplace, we have been selected as a Nadeshiko Brand 2025 company that excels in promoting women in the workplace (for the

eighth time since March 2017).

Please refer to the Sojitz website for more information on Sojitz's efforts to promote women in the workplace:

- Sojitz Selected as "Nadeshiko Brand" for Eighth Consecutive Year (March 2025):
<https://www.sojitz.com/jp/news/article/topics-20250324.html> (Japanese language)
- Action Plan for Promoting Women in the Workplace (FY2024–FY2026):
https://www.sojitz.com/pdf/en/sustainability/sojitz_esg/s/diversity/kodo2024_en.pdf

② Promotion and Engagement of Locally-hired Employees to Management-Level Positions

Sojitz aims to leverage its overseas operating companies to tap into local networks, expand Sojitz's business areas, and create new business. In order to achieve these goals, Sojitz is further increasing the number of locally hired employees holding chief officer positions at overseas operating companies.

③ Promotion of Mid-Career Recruits to Management-Level Positions

As part of the company's efforts to transform diversity into a competitive advantage, Sojitz places emphasis on mid-career recruitment in order to enhance the diversity of its workforce in terms of gender and nationality and to secure talent with specialized expertise in areas such as management, digital transformation, and other fields. As of the end of FY2024, mid-career hires accounted for 24% of management posts and 39% of executive posts. In addition, mid-career hires accounted for 26% of all hires in FY2024. We plan to continue to have mid-career recruitment account for roughly 30–40% of all new hires each year. Sojitz has further raised its target for both the percentage of female employees and female section managers to around 50% by the 2030s, and the company has also raised its target for the percentage of female mid-career hires to 50% in light of this revision. In April 2025, a mid-career recruit became Sojitz's first female employee to be appointed to a General Manager position within a business division. In addition, the Senior Managing Executive Officer serving as CDO, CIO, and COO of the Digital Department who Sojitz welcomed from outside the company in 2021 was appointed to the Board of Directors in June 2024. The CDO brings a unique perspective and expertise cultivated throughout her career at multiple institutions, and Sojitz aims to continue to leverage this executive's experience in dialogues with management and frontline employees in order to accelerate the implementation of digital technologies that will lead to new business creation and the transformation of business models.

④ Other initiatives for ensuring diversity

Sojitz maintains a diverse workforce that includes junior employees, DX employees, and employees nearing retirement age. Sojitz promotes human resource measures that leverage this diversity in organizational decision-making and new business development in order to ensure sustainable value creation.

(2) Human Capital Development Policies and Internal Working Environment Policies to Ensure Diversity

Sojitz is actively utilizing diverse human resources capital with differing insights and experience, regardless of their age, gender, or nationality. We seek to develop independence and a self-directed and proactive mindset autonomy in our employees through training and other strategies for different generations on diverse career stages and create a cycle in which our employees can take on new challenges and feel their personal growth and contribution in order to create diverse a teams of diverse and autonomous self-directed individuals.

In addition to those listed in the previous (1) Ensuring Diversity section, the following is a list of Sojitz's main initiatives for developing human resources capital with diversity and a self-directed and proactive mindset autonomy.

- Job Rotation System and Internal Recruitment System

Sojitz designs programs that empower employees to broaden their career paths while bringing new energy to their organizations in order to connect employee growth to new business creation. Please refer to the Sojitz website for more information on the job rotation and internal recruitment systems:
https://www.sojitz.com/en/sustainability/sojitz_esg/s/human_resources/

- Overseas Trainee Program

Sojitz aims to develop talent who can play an active role on the global stage by allowing employees to gain work experience outside Japan at an early stage in their career. Please refer to the Sojitz website for more information on the trainee program:
https://www.sojitz.com/en/sustainability/sojitz_esg/s/human_resources/

- Digital-proficient Employee Development

Sojitz defines “digital-proficient employees” as those employees who are capable of utilizing internal and external data and digital technologies to transform business models and processes. Sojitz has set KPIs and is focusing on training and development of this group.

Please refer to Supplementary Principle 3-1③ for details on digital transformation initiatives.)

- Initiatives for Health Management

For further details, please see Supplementary Principles 2-3①.

- Job-based Company, “Sojitz Professional Share”

Sojitz established a new job-based employment company, Sojitz Professional Share

Corporation, as a career platform that supports diverse career and life plans for employees We provide assistance in realizing diverse career plans. For more details, please refer to the website below.

<https://www.proshare.sojitz.com/> (Japanese)

- Sojitz Alumni

This platform aims to form and expand a human network between Sojitz retirees (including those from Nichimen and Nissho Iwai) and current Sojitz employees, thereby expanding the business network. For more details, please refer to the website below.

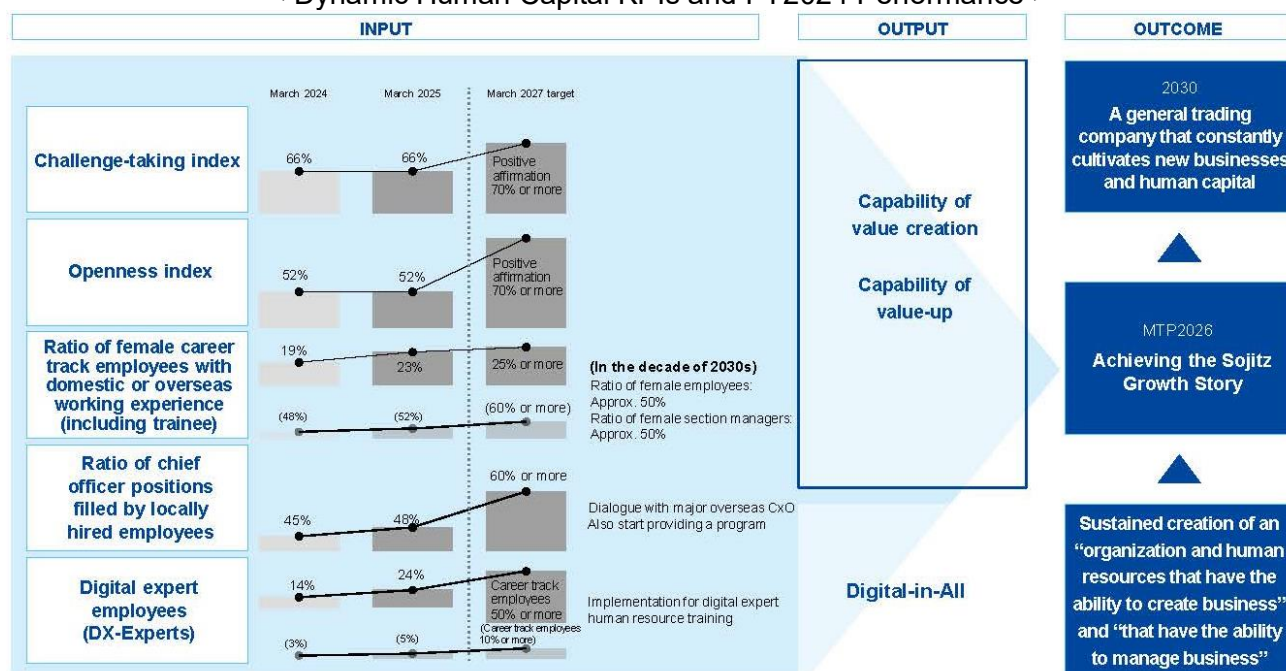
<https://sojitz-alumni.com/page> (Japanese)

(3) Human Capital KPIs

As we reviewed certain human capital KPIs set under Medium-term Management Plan 2023, the following new indicators under Medium-term Management Plan 2026 will measure the impact of human capital development initiatives and the degree of dissemination. Sojitz has set dynamic KPIs in order to facilitate flexible review based on the external environment and the status of penetration of human capital initiatives, and the Management Committee and the Board of Directors confirm progress and verify human capital initiatives every six months. Specifically, we will foster Sojitz's unique culture (measured through the challenge-taking index and openness index) and promote opportunities for diverse human capital (measured through the ratio of female career-track employees with domestic or overseas working experience, ratio of chief officer positions filled by locally hired employees, and number of digital expert employees) to raise our value creation and value enhancing capabilities. In addition, some KPIs incorporate the response ratio of regular engagement surveys (*1) to track employee input and translate this feedback into concrete measures.

(*1) The Engagement Survey (employee awareness survey) started in 2017 to gain understanding of employee engagement at Sojitz and to achieve effective human capital strategies. With the advice of external specialist, we created and introduced our own specialized questions for the survey, which has six response options. The ratio of respondents who chose Option 1: "Strongly agree" or Option 2: "Agree" is defined as the "positive affirmation ratio," while the ratio of respondents who chose Option 1, Option 2, or Option 3: "Somewhat agree" is defined as the "affirmation ratio." We analyze the results by organization and attribute (by age/job ranking) to introduce improvement activities by division/unit.

< Dynamic Human Capital KPIs and FY2024 Performance >



*The figures for the fiscal year 2024 are currently aggregated values, and figures that have obtained third-party assurance will be disclosed on our website and in the integrated report.

For further details, please refer to the Sojitz' website.

- Human resource strategy:
<https://www.sojitz.com/en/corporate/strategy/jinzai/>
- Human resource KPIs and Sojitz human resources information:
https://www.sojitz.com/en/sustainability/materiality/human_resources/

【Principle 2-5.】

Companies should establish an appropriate framework for whistleblowing such that employees can report illegal or inappropriate behavior, disclosures, or any other serious concerns without fear of suffering from disadvantageous treatment. Also, the framework should allow for an objective assessment and appropriate response to the reported issues, and the board should be responsible for both establishing this framework, and ensuring and monitoring its enforcement.

- (1) We have set up various consultation portals such as "hotlines" that all executives and employees of the Sojitz Group can use including a whistleblowing system (hotline), a Chief Compliance Officer hotline, an attorney hotline with an external law firm as a consultation portal, and a multilingual Sojitz Ethics Hotline that can be used 24 hours a day and 365 days a year.

- (2) The Board of Directors regularly receives reports on the number and content of calls to these hotlines and oversees the operational status.

【Supplementary Principle 2-5①】

As a part of establishing a framework for whistleblowing, companies should establish a point of contact that is independent of the management (for example, a panel consisting of outside directors and outside *kansayaku*). In addition, rules should be established to secure the confidentiality of the information provider and prohibit any disadvantageous treatment.

- (1) As part of establishing a framework for whistleblowing, the Company has established an attorney hotline with an external law firm as a consultation portal in addition to the internal reporting resources.
- (2) In addition, the “Sojitz Group Code of Conduct and Ethics” stipulates how the system is to be operated and stipulates that informants and those cooperating with investigations be kept confidential and that disadvantageous treatment is prohibited.

【Principle 2-6.】

Because the management of corporate pension funds impacts stable asset formation for employees and companies’ own financial standing, companies should take and disclose measures to improve human resources and operational practices, such as the recruitment or assignment of qualified persons, in order to increase the investment management expertise of corporate pension funds (including stewardship activities such as monitoring the asset managers of corporate pension funds), thus making sure that corporate pension funds perform their roles as asset owners. Companies should ensure that conflicts of interest which could arise between pension fund beneficiaries and companies are appropriately managed.

The Company’s retirement benefit plan is a defined contribution pension plan, and there is no management of corporate pension reserves that can be impacted by the Company’s financial situation.

The monthly performance record of each fund and other reports are provided on the defined contribution pension support site as part of the continuing education related to the defined contribution pension plan, and the Company holds in-house seminars regarding the defined contribution pension plan.

Section 3: Ensuring Appropriate Information Disclosure and Transparency

【General Principle 3】

Companies should appropriately make information disclosure in compliance with the relevant laws and regulations, but should also strive to actively provide information beyond that required by law. This includes both financial information, such as financial standing and operating results, and non-financial information, such as business strategies and business issues, risk and governance.

The board should recognize that disclosed information will serve as the basis for constructive dialogue with shareholders, and therefore ensure that such information, particularly non-financial information, is accurate, clear and useful.

- (1) The Company's core policy is to engage in constructive dialogue with shareholders in order to achieve sustainable growth and increase corporate value over the medium to long term while providing appropriate information in a timely manner. We strive to provide easy-to-understand explanations continuously.
- (2) In addition to the information required to be disclosed by various laws and regulations such as the Companies Act and the Financial Instruments and Exchange Act, we also proactively disclose information that is considered important to stakeholders (including non-financial information) through our website, integrated reports, and others.
- (3) As a listed company, Sojitz ensures the timely disclosure of important corporate information in accordance with the Tokyo Stock Exchange's securities exchange regulations. Furthermore, Sojitz ensures that supplementary materials for any statutory disclosures are provided in a timely manner.
- (4) Regarding information disclosure, we are working to improve the content and communication methods so that it is accurate, easy to understand, and highly useful for users.

【Principle 3-1.】

In addition to making information disclosure in compliance with relevant laws and regulations, companies should disclose and proactively provide the information listed below (along with the disclosures specified by the principles of the Code) in order to enhance transparency and fairness in decision-making and ensure effective corporate governance:

- (i) Company objectives (e.g., business principles), business strategies and business plans;
- (ii) Basic views and guidelines on corporate governance based on each of the principles of the Code;
- (iii) Board policies and procedures in determining the remuneration of the senior management and directors;
- (iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of directors and *kansayaku* candidates; and
- (v) Explanations with respect to the individual appointments /dismissals and nominations based on (iv).

(i) Business principles, business strategies, and business plans

<Corporate Statement>

We have set the vision of Sojitz in 2030 as “Becoming a general trading company that constantly cultivates new businesses and human capital,” and as the Next Stage, we aim to grow to a net profit of ¥200.0 billion and a market capitalization of ¥2 trillion. The Medium-term Management Plan 2026 is designed to strengthen the base of growth and human capital in preparation for the Next Stage. We will invest actively in our base of growth and human capital to creating the “Sojitz Growth Story,” which is the key message for reaching the Next Stage.

<Management strategy and management plan>

Based on the progress and achievements of “Medium-Term Management Plan 2023,” we have set a new quantitative target under the “Next Stage” to double the current earnings level and corporate value as we commence “Medium-Term Management Plan 2026.”

The “Medium-Term Management Plan 2026 - Set for Next Stage -” is designed to strengthen the base of growth and human capital in preparation for the Next Stage. We will invest actively in our base of growth and human capital to creating the “Sojitz Growth Story,” which is the key message for reaching the Next Stage.

Please refer to the Sojitz website for details regarding Medium-term Management Plan 2026.

<https://www.sojitz.com/pdf/en/corporate/strategy/plan/chukei2026e.pdf>

(ii) Basic views and guidelines on corporate governance based on each of the principles of the Corporate Governance Code

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 bring this about, 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 an 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.

<Management and Business Execution System>

We employ an executive officer system for the purpose of clarifying authority and responsibilities and ensuring the smooth and swift execution of business through the separation of 1) managerial supervision and decision-making from 2) business execution.

The Board of Directors, chaired by the Chairman of the Board, is the highest decision-making body reviewing and resolving fundamental policies and most important cases concerning the management of the Sojitz Group. The Board of Directors also supervises business execution through proposals of important matters and regular reports from the executing body.

As the executing body, we have established the Management Committee, chaired by the President, who is also the Chief Executive Officer. The Committee is responsible for the review and approval of the Sojitz Group’s important managerial and executive agendas, from a group-wide and medium-to-long-term viewpoint. In addition, we have established the Finance and Investment Deliberation Council for the review and approval of 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 as executing bodies all directly reporting to the President and CEO.

The term of Directors and Executive Officers (excluding Directors who are Audit and Supervisory Committee Members) is set at one year in order to respond swiftly and appropriately to rapid changes in the business environment and clarify their responsibilities to management.

<Monitoring and Supervisory Functions for Management>

To enhance the Board of Directors’ oversight of business operations and to ensure the receipt of objective and diverse counsel, the majority of the Board of Directors is comprised of Independent Directors, and the Chair of the Board of Directors is an Independent Director. Sojitz is a Company with Audit and Supervisory Committee, with Audit and Supervisory Committee Members, who are responsible for auditing the execution of duties of Directors, becoming members of the Board of Directors. This will enable us to reflect audit results in discussions at the Board of Directors meetings, seeking to further strengthen the supervisory function of the Board of Directors.

Furthermore, the majority of the members of the Nomination Committee and the Remuneration Committee, which provide advisory services to the Board of Directors, are Independent Directors, and the Chairs of these committees are Independent Directors, ensuring the appropriateness and transparency of the appointment and remuneration of Directors.

- (iii) Board policies and procedures in determining the remuneration of the senior management and Directors

We have set up the Remuneration Committee as an advisory body to the Board of Directors in order to ensure the transparency and fairness of decision-making by the Company regarding the remuneration of Directors and Executive Officers. The Remuneration Committee discusses the remuneration level for Directors and Executive Officers and the various systems related to evaluation and remuneration and makes proposals to the Board of Directors. The remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers is set within the limits determined by the resolutions of the ordinary general shareholders meeting of the Company. The remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) is decided by the Board of Directors based on the opinions of the Remuneration Committee, which is chaired by an Independent Director. Please refer to Supplementary Principle 4-2① for details on the structure and procedures for determining each Director's individual remuneration.

- (iv) Board policies and procedures in the appointment and dismissal of senior management and the nomination of Director candidates

We have set up the Nomination Committee as an advisory body to the Board of Directors in order to ensure the transparency and fairness of decision-making by the Company regarding the selection of senior management (Senior Executive Officers) and Director candidates. The Nomination Committee, which is chaired by an Independent Director, discusses and proposes criteria and methods for selecting the candidates, in addition to candidate proposals, and reports the results to the Board of Directors.

<Policy for appointing and dismissing the CEO, CCO and other senior management>

The Board of Directors deliberates on the experience and quality of each senior management candidate based on the results of discussion in the Nomination Committee and determines their appointment. The term of appointment for senior management is one year, and they may be dismissed during this period if they are deemed to meet the criteria for dismissal described in company regulations.

<Appointing Directors (excluding Directors Serving as Audit and Supervisory Committee Members)>

In appointing candidates for Directors, we take into consideration characteristics including gender, age, and international experience, and appoint multiple candidates who possess abundant experience, specialized knowledge, and advanced expertise from both inside and outside of Sojitz to ensure decision-making and management oversight appropriate to a general trading company involved in a wide range of businesses. The Board of Directors deliberates on the experience and quality of each Director candidate as an officer based on the results of the discussion in the Nomination Committee and submits the candidate proposal to the general shareholders meeting for approval.

<Appointing Directors Also Serving as Audit and Supervisory Committee Members>

Sojitz selects candidates for Directors who will also serve as Audit and Supervisory Committee Members based on their experiences, knowledge, and capabilities for conducting audits of the Directors' execution of their duties in an appropriate and fair manner. The Board of Directors deliberates on the experience and quality of each candidate based on the results of the discussion of the Nomination Committee and submits the candidate proposal to the general shareholders meeting for approval.

- (v) Explanations with respect to the individual appointments/dismissal and nominations in the appointment/dismissal of the senior management and the nomination of Director candidates

When the appointment or dismissal of senior management is resolved by the Board of Directors, we immediately disclose the decision in a press release. Furthermore, we disclose the reasons for the appointment of each of the candidates for the Board of Directors in the reference documents of the "Notice of the General Shareholders Meeting." For further details, please refer to pages 11 through 15, and page 17 of the Reference Documents of the Notice of the 22nd Ordinary General Shareholders' Meeting published on our website.

https://www.sojitz.com/pdf/en/ir/meetings/general/2025_01e.pdf

【Supplementary Principles 3-1①】

These disclosures, including disclosures in compliance with relevant laws and regulations, should add value for investors, and the board should ensure that information is not boiler-plate or lacking in detail.

When disclosing information, the Company makes every effort to improve the understanding of the Company by providing accurate and prompt information as well as the specific descriptions to add high value to users.

【Supplementary Principles 3-1②】

Bearing in mind the number of foreign shareholders, companies should, to the extent reasonable, take steps for providing English language disclosures.

In particular, companies listed on the Prime Market should disclose and provide necessary information in their disclosure documents in English.

Based on the number of foreign investors, we disclose information in English on our website such as convening notices for general shareholders' meetings, securities reports, financial statements, integrated reports, news releases, and other IR-related materials.

【Supplementary Principles 3-1③】

Companies should appropriately disclose their initiatives on sustainability when disclosing their management strategies. They should also provide information on investments in human capital and intellectual in an understandable and specific manner, while being conscious of consistency with their own management strategies and issues.

In particular, companies listed on the Prime Market should collect and analyze the necessary data on the impact of climate change-related risks and earning opportunities on their business activities and profits, and enhance the quality and quantity of disclosure based on the TCFD recommendations, which are an internationally well-established disclosure

(1) Sustainability Initiatives

We strive to cooperate with a wide range of stakeholders, proactively disclose information, and improve our transparency. Please refer to Supplementary Principle 2-3① and the Sojitz website for details on our approach to sustainability and our policies and initiatives.

<https://www.sojitz.com/en/sustainability/>

(2) Investment in Human Capital and Intellectual Property

In order to establish a foundation for the Next Stage (net profit of ¥200 billion, ROE of 15%, market capitalization of ¥2 trillion) set out in Medium-term Management Plan 2026, it is essential that we evolve our portfolio into competitive business clusters and ensure high profitability of our business.

Given these circumstances, we believe that the key to achieving this next stage of growth is our human capital and each individual's capacity for business creation and value-up. As Sojitz is not an R&D company, these capabilities for business creation and value-up are our intellectual capital, and the people (organizations and human resources) that create business and add value are the source of this intellectual capital. In order to develop and strengthen these human resources, we have established the following human resource strategy policies under Medium-term Management Plan 2026, and we will continue to proactively invest in human resources going forward (see (i) below). In addition, we will strengthen digital transformation initiatives and continue to foster a unique Sojitz culture in order to support the growth of our human resources (see (ii) below).

(i) Sojitz Group Basic Human Resource Strategy Policies

In an aim for the Next Stage, Sojitz Group has established the following three basic human capital strategy policies under the Medium-term Management Plan 2026: "Build diverse teams of employees who take on new challenges and achieve growth," "Strengthen the section managers' ability to maximize the full potential of each individual," and "Anticipate volatile environment and flexibly allocate human capital."

- "Build diverse teams of employees who take on new challenges and achieve growth"

In accordance with the theme of transforming diversity into competitiveness, Sojitz utilizes diversity to respond to volatile market environment and generate the organizational capabilities that underpin the swift generation of value. To aim for “becoming a general trading company that constantly cultivates new businesses and human capital,” we continue proactively hiring diverse talents regardless of gender and nationality, including mid-career hires with high expertise. We also work on various initiatives to develop a workplace environment that enables them to fully demonstrate their characteristics and skills and provide education to management-level personnel.

- “Strengthen middle management to maximize the full potential of each individual”
To link the development of diverse, autonomous individuals (Will/Can) to the growth of organization and the company (Shall) and the enhancement of corporate value, we consider it imperative to strengthen the middle management serving as a hub to connect and intermediate between the management and employees, as they execute strategies and enhance engagement.
- “Anticipate volatile environment and flexibly allocate human resources”
To keep addressing significant changes in environment such as technology advancement and heightened geopolitical risk, and diverse customer needs, Sojitz will flexibly and systematically allocate, cultivate and appoint human capitals, thereby enhancing the capability of value creation and value-up to achieve our vision for 2030.



*1 Middle management: This refers to head office section managers (and candidates) and key positions (and candidates) at overseas and Group companies who transform the potential of individuals into organizational capabilities through dialogue.

*2 Human capital management: Linking planned human capital development to business creation (value creation) and business management (value up).

(ii) Initiatives for Creating a Foundation for to Support the Strengthening of Human Capital

● Digital Transformation Initiatives

① Reinforcement of Systems

Under Medium-term Management Plan 2026, we have established "Digital in All" as our motto, with the premise of incorporating digital technologies into all aspects of our business. We will take steps to enhance the value and competitiveness of our existing businesses through digital technologies, as well as facilitate the monetization of our digital businesses.

Under this digital strategy starting from April 2024, we are further strengthening our digital promotion organizations, which are under the leadership of the CDO and CIO (refer to the diagram below for the names and functions of each department). By consolidating digital functions and businesses, we aim to combine the power of digital technology with our business foundation, cultivated as a general trading company, to create new business and transform our existing businesses.

<Organizational structure>

One team by consolidating business and functions

Earn digitally (Digital Co-Creation Department)	Expanding digital business revenues <ul style="list-style-type: none"> • Launch of digital business • Co-creation with partners • further strengthening the DX co-creation with Sojitz Tech-Innovation Co.,Ltd. (formerly Nissho Electronics), the digital business company
Improving Corporate Value with Digital (Digital Business Development Department)	Accelerate the implementation of digital technology and revenue increase of each division <ul style="list-style-type: none"> • Promote value enhancement of existing business with each sales division • Company-wide promotion of data utilization (generative AI/data analysis) • Develop, acquire, and utilize digital and advanced IT human resources
Building a Digital Infrastructure (Corporate IT Department)	Company-wide digitalization, development and enhancement of IT infrastructure <ul style="list-style-type: none"> • Building AI and Data Utilization Infrastructure • Development of IT infrastructure to support digitalization • Upgrading security measures

Please refer to the Sojitz website for details on systems and initiatives relating to digital transformation and information security.

- Digital transformation: <https://www.sojitz.com/en/corporate/strategy/dx/>
- Information security: https://www.sojitz.com/en/sustainability/sojitz_esg/g/risk/#a07
- Selected as Digital Transformation Stocks (DX Stocks) 2025: <https://www.sojitz.com/jp/news/article/topics-20250411.html> (Japanese)

② Development of DX Experts

By utilizing digital technology with our internal and external partners, under Medium-term Management Plan 2023 we developed our own training curriculum and designed skill areas and skill levels in order to train digital talent who can implement changes to business models and work processes. Since then, we have introduced new development opportunities including a Business Architecture Training that teaches employees to conceptualize methods for integrating data and technology into business models, as well as an e-learning course that provides fundamental knowledge on the safe and effective use of generative AI tools. We continue to update our curriculum on an ongoing basis to ensure that employees are equipped with the necessary skills to solve social issues and adapt to evolving new technologies. Over the three-year period of Medium-term Management Plan 2026, we aim to have 50% of all career-track employees (about 1,000 people) complete DX training, and for 10% of this group (about 200 people) to achieve the Expert level. As of the end of FY2024, the first year of the plan, we have made steady progress towards these goals and achieved a completion rate of just under 50% for both targets. Thus far, Sojitz's digital expert development efforts have focused on employees at Tokyo HQ. However, the company has begun expanding access to the Experienced level of DX Expert training to include employees at Sojitz Group companies. Going forward, Sojitz will continue to enhance Group-wide digital literacy and cultivate talent capable of leading digital transformation throughout the Group.

- Fostering a Unique Sojitz Culture

In order to develop and empower employees with business creation and value-up capabilities, Sojitz understands that is essential to foster a unique Sojitz culture that is welcoming and open, rooted in flexible thinking and fresh ideas, and that encourages individuals to take on new challenges.

To this end, Sojitz promotes the success of women, non-Japanese employees, and mid-career hires, and proactively creates an environment for promoting diversity. Furthermore, Sojitz has established appropriate KPIs for measuring our progress on these initiatives.

Please refer to Supplementary Principle 2-4① for details on KPIs.

(iii) Other Initiatives for Strengthening Business Creation and Value-up Capabilities

In order to become a company that constantly cultivates new businesses and human capital, Sojitz believes that it is essential to foster a company culture in which every employee has an entrepreneurial mindset and proactively takes on new challenges in new fields and business areas. With this in mind, Sojitz implements the following core initiatives.

- Investment in innovation

Sojitz is establishing an investment framework to facilitate partnerships with start-ups as a means of creating innovative business with a global reach. This initiative aims to equip the Company with functions for reforming business models, ensuring growth, and increasing competitiveness of existing businesses through digital transformation and new technologies.

- 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.

Please refer to the Sojitz website for details.

<https://www.sojitz.com/jp/hasso/> (Japanese)

(3) Influence of Climate Change-related Risk and Earnings Opportunities on Sojitz Business and Profit

We have established and announced mid- to long-term decarbonization policies and targets in order to fulfill our commitment for realizing a decarbonized society as announced in our long-term sustainability vision for 2050, the "Sustainability Challenge."

For existing Sojitz Group businesses, we will set emission reduction targets based on separate international protocols for CO2 emissions (Scope) as preparation for the coming age of a decarbonized society by increasing the company's business resilience. We view the transition towards a decarbonized society as an opportunity, and we will strive to create new business in a wide range of business fields. Through these efforts, we aim to create "value for society" through decarbonization and to expand our earnings opportunities to create "value for Sojitz" in the process.

Under Medium-term Management Plan 2026, we are implementing various decarbonization initiatives and expanding business that contributes to decarbonization efforts in order to achieve our mid- to long-term targets, as well as identifying and measuring all Scope 3 emissions.

<Sojitz Group Decarbonization Policies & Progress Towards Targets>

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 in order to maintain an understanding of the decarbonization risks faced across its value chain. The Group will accelerate initiatives for positioning the decarbonization

trend as a business opportunity.

		Decarbonization targets	Progress	Future
Existing business	Scope 1+2	<ul style="list-style-type: none"> Reduce by 60% by 2030, and achieve net zero by 2050^{*1} Net zero emissions by 2030 for Scope 2^{*2} <small>*Coal-fired power generation: No current project nor future projects planned</small>	Reduce by around 30%	Execute decarbonization promotion initiative Expand decarbonization business initiatives
	Scope 3	<ul style="list-style-type: none"> Thermal coal interests: Reduce interests to half or less by 2025^{**} Zero interests by 2030 Oil interests: Zero interests by 2030 Coking coal interests: Zero interests by 2050 	Reduced thermal coal interests by around 90% (as of FY 2024) Completed full measurement and identification of Scope 3 emissions	Continue measurement and identification of Scope 3 emissions
New business	Organize the approach to decarbonization by business with the aim of achieving net zero by 2050			
Contributions to a decarbonized society	Scope 4 (Reduction contribution amount)	—	Continue amassing decarbonization contribution business as “opportunities”	

*1 FY2019 serves as the base year, with non-consolidated and consolidated subsidiaries included in the scope.

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

In August 2018, we declared our endorsement of the final recommendations of the TCFD (Task Force on Climate-related Financial Disclosures), and we have been conducting more proactive and transparent disclosure based on the recommended framework while practicing engagement with stakeholders. We conduct yearly scenario analysis of the business fields believed to present the greatest climate-related risks and opportunities to our Group’s business activities, management strategy, and financial planning. We disclose the results of the analysis, our goals, and our progress toward these goals.

Please refer to the Sojitz website for details on our TCFD compliance and climate change initiatives.

- Climate: https://www.sojitz.com/en/sustainability/sojitz_esg/e/climate/
- TCFD: <https://www.sojitz.com/en/sustainability/materiality/environment/tcfid/>

【Principle 3-2.】

External auditors and companies should recognize the responsibility that external auditors owe toward shareholders and investors, and take appropriate steps to secure the proper execution of audits.

- (1) Third-party accounting auditors and the Company endeavor to ensure an effective auditing system by setting audit schedules and conducting hearings with management so that the third-party accounting auditors can carry out sufficient audits and ensure proper auditing.
- (2) The Audit and Supervisory Committee, the Accounting Auditor, and the Audit Department interact with each other regularly to conduct auditing from their respective perspectives while mutually exchanging information to complement each other and conduct efficient and effective auditing.

【Supplementary Principles 3-2①】

The *kansayaku* board should, at minimum, ensure the following:

- (i) Establish standards for the appropriate selection of external auditor candidates and proper evaluation of external auditors; and
- (ii) Verify whether external auditors possess necessary independence and expertise to fulfill their responsibilities.

- (i) We have established accounting auditor evaluation criteria whereby items including quality control, independence, the auditing system, and estimated remuneration are periodically evaluated. The Audit and Supervisory Committee is made aware of the content of audits conducted by third-party accounting auditors through the audit report in addition to hearings with relevant internal departments.
- (ii) The Audit and Supervisory Committee evaluates and confirms the independence of the third- party accounting auditors, including their interests in accordance with the Certified Public Accountant Law, and their expertise through appropriate interviews.

【Supplementary Principles 3-2②】

The board and the *kansayaku* board should, at minimum, ensure the following:

- (i) Give adequate time to ensure high quality audits;
- (ii) Ensure that external auditors have access, such as via interviews, to the senior management including the CEO and the CFO;
- (iii) Ensure adequate coordination between external auditors and each of the *kansayaku* (including attendance at the *kansayaku* board meetings), the internal audit department and outside directors; and
- (iv) Ensure that the company is constituted in the way that it can adequately respond to any misconduct, inadequacies or concerns identified by the external auditors.

The Board of Directors and the Audit and Supervisory Committee handle each of these items for the Company as follows:

- (i) A third-party accounting auditor explains the audit plan at the beginning of the term and confirms that sufficient time for the audit has been secured.
- (ii) Interviews are held with the third-party accounting auditors and executives such as the President and CFO.
- (iii) The third-party accounting auditor reports the results of the audit required by the

Companies Act and the audit required by the Financial Instruments and Exchange Act to the Audit and Supervisory Committee, and cooperates with the Audit Department as necessary. Accounting audit reports are also shared with Independent Directors who are not Audit and Supervisory Committee Members. In addition, the Audit and Supervisory Committee, the Internal Audit Department and the Accounting Auditor meet regularly to share the status of their respective audits and exchange opinions to promote cooperation among them.

- (iv) If the third-party accounting auditor finds any irregularities or deficiencies in the internal controls, he or she reports them to the Audit and Supervisory Committee. Based on the content of the report, the Audit and Supervisory Committee and related departments share information and cooperate with each other to implement appropriate measures.

Section 4: Responsibilities of the Board

【General Principle 4】

Given its fiduciary responsibility and accountability to shareholders, in order to promote sustainable corporate growth and the increase of corporate value over the mid- to long-term and enhance earnings power and capital efficiency, the board should appropriately fulfill its roles and responsibilities, including:

- (1) Setting the broad direction of corporate strategy
- (2) Establishing an environment where appropriate risk-taking by the senior management is supported; and
- (3) Carrying out effective oversight of directors and the management (including *shikkoyaku* and so-called *shikkoyakuin*) from an independent and objective standpoint.

Such roles and responsibilities should be equally and appropriately fulfilled regardless of the form of corporate organization — i.e., Company with *Kansayaku* Board (where a part of these roles and responsibilities are performed by *kansayaku* and the *kansayaku* board), Company with Three Committees (Nomination, Audit and Remuneration) or Company with Supervisory Committee.

- (1) The Company's Board of Directors decides on the broad direction of corporate strategy, including the formulation of its corporate philosophy and the medium-term management plan.
- (2) The Company has introduced an executive officer system in order to clarify authority and responsibility and speed up business execution by separating management oversight/decision- making and business execution.
- (3) The Board of Directors is the highest decision-making body that deliberates and makes decisions on core policies and the most important issues related to the management of the Sojitz Group. It also ensures the transparency of management by overseeing the status of business execution through the submission of important matters and regular reports from the executing body. Additionally, Independent Directors supervise the Executive Directors and overall system of business execution. They also provide opinions and advice on corporate governance.

【Principle 4-1.】

The board should view the establishment of corporate goals (business principles, etc.) and the setting of strategic direction as one major aspect of its roles and responsibilities. It should engage in constructive discussion with respect to specific business strategies and business plans, and ensure that major operational decisions are based on the company's strategic direction.

- (1) The Company strives to improve its 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.
- (2) To achieve this, the Board of Directors actively and constructively discusses the formulation and management of the progress of the medium-term management plan. Our company incorporates the progress of the medium-term management plan as a regular agenda item in the annual plan established at the beginning of the fiscal year, in order to discuss it regularly at the Board of Directors meetings. The Board of Directors also makes important business decisions based on the Sojitz Group Statement and medium-term management plan.

【Supplementary Principles 4-1①】

The board should clearly specify its own decisions as well as both the scope and content of the matters delegated to the management, and disclose a brief summary thereof.

- (1) The Board of Directors reviews and approves core policies and critical issues concerning the management of the Sojitz Group.
- (2) The Board of Directors Rules, which the Company has formulated, stipulate that the Board of Directors shall determine matters such as the management policy and plan, the selection, dismissal, and duties of senior management, the abolition of significant regulations, financial statements, and significant business transactions.
For matters relating to critical business execution, monetary standards will be stipulated for the acquisition/disposal of investments, loans and guarantees, and installed equipment. If these standards are exceeded, resolution by the Board of Directors shall be required.
- (3) In addition, the Board of Directors regularly receives status reports on the medium-term management plan, human resource strategies, and other business execution including the development and operation of internal control systems presented by Executive Directors and Executive Officers, and carries out oversight functions for business execution.
- (4) With respect to decisions on matters other than those designated for resolution by the Board of Directors according to the Board of Directors Rules, the scope of delegation to other executing bodies, including the President, who is also the Chief Executive Officer, the Management Committee, the Finance and Investment Deliberation Council, the Human Resource Deliberation Council, and responsible officers, is defined according to the scale, significance, and risk of each matter in the internal approval rules and individual approval criteria tables.

【Supplementary Principles 4-1②】

Recognizing that a mid-term business plan (*chuuki keiei keikaku*) is a commitment to shareholders, the board and the senior management should do their best to achieve the plan. Should the company fail to deliver on its mid-term business plan, the reasons underlying the failure of achievement as well as the company's actions should be fully analyzed, an appropriate explanation should be given to shareholders, and analytic findings should be reflected in a plan for the ensuing years.

- (1) The Company recognizes that the realization of the medium-term management plan is one of the important commitments to shareholders.
- (2) The progress of this plan is disclosed in financial results briefing materials after verification and confirmation.
- (3) At the end of the relevant period, we analyze the difference between the plan and the actual results, explain these differences in financial results briefings, and post them on our website and in the integrated report. We conducted variance analysis following the conclusion of Medium-term Management Plan FY2023, and Medium-term Management Plan 2026 is then based on the aforementioned analysis.

【Supplementary Principles 4-1③】

Based on the company objectives (business principles, etc.) and specific business strategies, the board should proactively engage in the establishment and implementation of a succession plan for the CEO and other top executives and appropriately oversee the systematic development of succession candidates, deploying sufficient time and resources.

Through the Nomination Committee, which is an advisory body to the Board of Directors, the Company supervises the succession development plan for president and the status of its implementation while promoting discussion based on the Company's management philosophy and specific management strategies. Regarding the successor development plan, we continue to address the following items as important matters:

- Review the requirements and qualities required of the president as appropriate;
- Develop successors to management, including the president; and
- Diversify opportunities to confirm the development of successors within a fixed time frame.

【Principles 4-2.】

The board should view the establishment of an environment that supports appropriate risk-taking by the senior management as a major aspect of its roles and responsibilities. It should welcome proposals from the management based on healthy entrepreneurship, fully examine such proposals from an independent and objective standpoint with the aim of securing accountability, and support timely and decisive decision-making by the senior management when approved plans are implemented.

Also, the remuneration of the management should include incentives such that it reflects mid-to long-term business results and potential risks, as well as promotes healthy entrepreneurship.

- (1) The Board of Directors Rules require that the Board of Directors deliberate on significant business transactions after they are deliberated on by executive bodies such as the Management Committee and the Finance and Investment Deliberation Council. The Board of Directors collects and analyzes information and makes rational decisions referring to the opinions of Independent Directors from an independent and objective standpoint. After the policy is decided by the Board of Directors, information is shared by the Executive Officers to support prompt and decisive decision-making.
- (2) We have introduced a medium- to long-term incentive shares-based compensation plan for Directors (excluding Directors who are Audit and Supervisory Committee Members and Independent Directors) and Executive Officers in order to improve medium- to long-term performance, increase corporate value, and raise management awareness with an emphasis on shareholders.

【Supplementary Principle 4-2①】

The board should design management remuneration systems such that they operate as a healthy incentive to generate sustainable growth, and determine actual remuneration amounts appropriately through objective and transparent procedures. The proportion of management remuneration linked to mid- to long-term results and the balance of cash and stock should be set appropriately.

- (1) The maximum amount of remuneration for all Directors (including Directors who are Audit and Supervisory Committee Members) is determined by a resolution at the general shareholders' meeting.
- (2) The composition of remuneration for Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and Independent Director) is comprised of a fixed portion that is not linked to business performance (monetary remuneration), a performance-based portion (monetary remuneration) that is linked to business

performance in a single fiscal year and progress of the medium-term management plan, and a medium- to long-term performance based portion (share remuneration) that is linked to the success of the medium-term management plan and the increase of corporate value (in terms of ESG and share price). Shares-based compensation is paid following the retirement of the director, and we expect this to act as a strong incentive to improve business performance and increase corporate value in the medium to long term.

- (3) For Directors (excluding Directors who are Audit and Supervisory Committee Members), the remuneration system, the ratio and level of each remuneration component, and the specific remuneration amounts are determined by a resolution of the Board of Directors after deliberation by the Remuneration Committee. The Remuneration Committee is chaired by an Independent Director and over half of its members are Independent Directors.
- (4) In addition, internal rules stipulate that compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) may not be paid for certain reasons, and the Company may seek restitution where such compensation has been paid.
- (5) Remuneration for Directors who are Audit and Supervisory Committee Members will be paid within the total limit stipulated for compensation as resolved at the general shareholders' meeting following discussion with Directors who are Audit and Supervisory Committee Members.

【Supplementary Principle 4-2②】

The board should develop a basic policy for the company's sustainability initiatives from the perspective of increasing corporate value over the mid-to long-term.

In addition, in light of the importance of investment in human capital and intellectual properties, the board should effectively supervise the allocation of management resources, including such investments, and the implementation of business portfolio strategies to ensure that they contribute to the sustainable growth of the company.

(1) Establishing Basic Policies for Sustainability-related Initiatives

Sojitz Group's sustainability initiatives are based on the Sojitz Group Statement and Sojitz aims to realize sustainable growth for both the Sojitz Group and society by maximizing two types of value with stakeholder: "value for Sojitz," which contributes to the fortification of our business foundation and to ongoing growth, and the "value for society," which contributes to economic development on regional and national scales and to human rights and environmental awareness.

In addition to these policies, the Board of Directors sets out fundamental strategy for sustainability-related matters such as "Materiality (Key Sustainability Issues)" as well as the "Sustainability Challenge." The Board also receives regular reports from executive bodies such as the Sustainability Committee and provides opinions and advice.

The Sustainability Committee, chaired by the president, is the primary organization that discusses issues related to sustainability in order to determine our policies, goals, and measures.

Please refer to Supplementary Principle 2-3^① and the Sojitz website for more details on our sustainability initiatives and strategies.

<https://www.sojitz.com/en/sustainability/>

Additionally, in order to raise corporate value further, the Board of Directors discusses and supervises ESG targets established under the medium-term management plan (including decarbonization, responses to social issues, promoting women in the workplace, acquisition of parental leave, the engagement survey (the employee survey), and other human resource-related initiatives as well initiatives to strengthen governance.)

(2) Supervision of Strategies relating to the Distribution of Assets and the Business Portfolio

In accordance with the corporate statement detailed in Principle 3-1 (i), the medium-term management plan is established through discussion by the Board of Directors to ensure that strategies regarding the distribution of business assets and the business portfolio are effective. As the Company is not a R&D company, its intellectual property includes “capability of value creation” and “capability of value-up,” and the Company’s talent is therefore the source for generating this intellectual property. The Company implements initiatives in order to strengthen these intangible assets. (For further details on investment in human capital and intellectual property, please refer to Supplementary Principle 3-1^③.)

The Board of Directors confirms, supervises, and holds debates on the progress of established plans through regular status reports on the medium-term management plan, progress made on businesses, and financial reports.

【Principle 4-3.】

The board should view the effective oversight of the management and directors from an independent and objective standpoint as a major aspect of its roles and responsibilities. It should appropriately evaluate company performance and reflect the evaluation in its assessment of the senior management.

In addition, the board should engage in oversight activities in order to ensure timely and accurate information disclosure, and should establish appropriate internal control and risk management systems.

Also, the board should appropriately deal with any conflict of interests that may arise between the company and its related parties, including the management and controlling shareholders.

(1) The Board of Directors has established an appropriate system as below for the highly

effective oversight of the management.

- (2) The appointment and dismissal of senior management is resolved by the Board of Directors following deliberation by the Nomination Committee, which is comprised of a majority of Independent Directors and chaired by an Independent Director.

For details, refer to Supplementary Principle 4-3①.

- (3) Information disclosure procedures, including timely disclosure, are stipulated in the "Information Disclosure Guidelines" and are disclosed to stakeholders. In addition, the Disclosure Working Group has been established to monitor the appropriateness of the content and procedures of disclosure.

- (4) We have internal controls and risk management systems in place.

For details, refer to Supplementary Principle 4-3④.

- (5) We specify in our Board of Directors Rules that significant transactions between the Company and its major shareholders (shareholders owning at least 10% of the Company's outstanding shares) must be included as resolution items for the Board of Directors. Additionally, the following transactions must be approved by and reported to the Board of Directors: competitive transactions by a Director, self-dealing transactions by a Director, and transactions involving any conflict of interest between a Director and the Company.

【Supplementary Principles 4-3①】

The board should ensure that the appointment and dismissal of the senior management are based on highly transparent and fair procedures via an appropriate evaluation of the company's business results

The Board of Directors makes decisions regarding appointments of senior management after deliberation on the performance of each candidate and his or her qualifications based on the results of the deliberation by the Nomination Committee, which serves as an advisory body. The term of senior management is one year, and, if the Board of Directors determines that a member of senior management has met a criteria for dismissal as specified in company regulations during his or her term, a resolution may be made to dismiss them.

【Supplementary Principles 4-3②】

Because the appointment/dismissal of the CEO is the most important strategic decision for a company, the board should appoint a qualified CEO through objective, timely, and transparent procedures, deploying sufficient time and resources

Through the Nomination Committee, which is an advisory body to the Board of Directors,

the Company supervises the succession development plan for president and the status of its implementation while promoting discussion based on the Company's management philosophy and specific management strategies. Regarding the successor development plan, we continue to address the following items as important matters:

- Review the requirements and qualities required of the president as appropriate;
- Develop successors to management, including the president; and
- Diversify opportunities to confirm the development of successors within a fixed time frame.

【Supplementary Principles 4-3③】

The board should establish objective, timely, and transparent procedures such that a CEO is dismissed when it is determined, via an appropriate evaluation of the company's business results, that the CEO is not adequately fulfilling the CEO's responsibilities.

The term for the CEO and other senior management is one year, and, if the Board of Directors determines that an Executive Officer has met the criteria for dismissal as specified in the internal Executive Officer Rules, a resolution may be made to dismiss the Executive Officer even during his or her term.

【Supplementary Principles 4-3④】

The establishment of effective internal control and proactive enterprise risk management systems has the potential to support sound risk-taking. The board should appropriately establish such systems on an enterprise basis and oversee the operational status, besides

- (1) Sojitz establishes internal controls systems (company regulations, organizations, and frameworks) in line with the Sojitz Group Corporate Statement, and the company operates its internal control systems in accordance with its "Basic Policy regarding the Establishment of Systems for Ensuring Appropriate Execution of Sojitz Group Business Operations," a policy developed in accordance with the Companies Act and the Regulations for Enforcement of the Companies Act of Japan and enacted through a resolution of the Sojitz Corporation Board of Directors.

<https://www.sojitz.com/en/corporate/governance/governance/04/>

- (2) The Internal Control Committee, an organization that includes the president and the CFO, works in accordance with the General Standards of Risk Management to collaborate with other internal committees (including the Compliance Committee, Security Trade Control Committee, Quality Management Committee, and Information and IT Systems Security Committee) to carry out company-wide risk management. Based on the external environment, corporate strategy, and business processes, the Internal Controls Committee gains a comprehensive understanding of the risks facing

Sojitz Group and deliberates on critical issues and the priority level of each response measure. The Internal Controls Committee monitors the status of risk management activities and issues instructions to related parties through established communication frameworks.

- (3) The Board of Directors. supervises the status of implementation and operation of internal control systems and receives regular reports from the Internal Controls Committee on activities related to internal controls and company-wide risk management.

Please refer to the Sojitz website for more information on Sojitz's risk management framework:

https://www.sojitz.com/en/sustainability/sojitz_esg/g/risk/

- (4) The Internal Audit Department is established as an organization independent from other operation execution systems. The Internal Audit Department conducts internal audits and verifies that the Group's management activities and business management are in compliance with laws and internal regulations and carried out in an appropriate manner. The Board of Directors also receives regular reports on audit results from the Internal Audit Department to gather information necessary to supervise the operation of internal control and risk management systems.

【Principle 4-4.】

Kansayaku and the *kansayaku* board should bear in mind their fiduciary responsibilities to shareholders and make decisions from an independent and objective standpoint when executing their roles and responsibilities including the audit of the performance of directors' duties, appointment and dismissal of *kansayaku* and external auditors, and the determination of auditor remuneration.

Although so-called "defensive functions," such as business and accounting audits, are part of the roles and responsibilities expected of *kansayaku* and the *kansayaku* board, in order to fully perform their duties, it would not be appropriate for *kansayaku* and the *kansayaku* board to interpret the scope of their function too narrowly, and they should positively and proactively exercise their rights and express their views at board meetings and to the management.

- (1) The Audit and Supervisory Committee consists of four members (including three Independent Audit and Supervisory Committee Members). Each Audit and Supervisory Committee Member fulfills the role and responsibility of auditing the performance of duties by Directors from an independent and objective standpoint based on the fiduciary responsibility to shareholders.
- (2) Each Audit and Supervisory Committee Member positively and proactively exercises his or her rights and expresses appropriate opinions to the Board of Directors.

【Supplementary Principle 4-4①】

Given that not less than half of the *kansayaku* board must be composed of outside *kansayaku* and that at least one full-time *kansayaku* must be appointed in accordance with the Companies Act, the *kansayaku* board should, from the perspective of fully executing its roles and responsibilities, increase its effectiveness through an organizational combination of the independence of the former and the information gathering power of the latter. In addition, *kansayaku* or the *kansayaku* board should secure cooperation with outside directors so that such directors can strengthen their capacity to collect information without having their independence jeopardized.

- (1) The Audit and Supervisory Committee of the Company is comprised of four members and includes three Independent Audit and Supervisory Committee Members and one Full-time Audit and Supervisory Committee Member who is well versed in Sojitz Group business. (The Committee consists of two men and two women.)
- (2) The Company appoints Independent Audit and Supervisory Committee Members who possess the experience and capabilities to appropriately and fairly perform audit functions for management (including an individual with experience in supply chain management, public relations, investor relations, and international business management at an operating company, a certified public accountant, and individuals who have filled a CIO role at an operating company and CFO role at a key subsidiary). The Full-time Audit and Supervisory Committee Members also attend important meetings related to business execution, such as those of the Management Committee and Finance & Investment Deliberation Council and collect information to share the content and issues raised in these meetings with Independent Audit and Supervisory Committee Members at committee meetings. In doing so, Audit and Supervisory Committee Members are able to make contributions and actively share their opinions at Board of Directors meetings based on their specializations and background which increases the effectiveness of the audit and oversight.
- (3) Additionally, regular meetings are held just for Independent Directors and meetings attended by Audit Committee Members and Independent Directors to ensure that information can be obtained without impacting the independence of Independent Directors.
For further details please refer to Supplementary Principle 4-8①.
- (4) In order to enable active discussions with the Board of Directors, the Company provides the Independent Directors with prior explanations on the draft agenda of the Board of Directors meetings every time. Independent Directors exchange information, share awareness, and collaborate with each other through the exchange of opinions on the

proposed agenda.

【Principle 4-5.】

With due attention to their fiduciary responsibilities to shareholders, the directors, kansayaku and the management of companies should secure the appropriate cooperation with stakeholders and act in the interest of the company and the common interests of its shareholders.

- (1) The Company is working to realize and maximize its two values: the “value that Sojitz gains,” such as expansion of the business base and sustainable growth of the Sojitz Group, and the “value that society gains,” such as national and regional economic development and human rights and environmental considerations.
- (2) The Directors and management of the Company act from their respective positions to contribute to the realization and maximization of the “two values.”

【Principle 4-6.】

In order to ensure effective, independent and objective oversight of the management by the board, companies should consider utilizing directors who are neither involved in business execution nor have close ties with the management.

The Company appoints a total of 11 Directors, including 7 Directors who are not engaged in the execution of business (6 Independent Directors and 1 Inside Audit and Supervisory Committee Member) and they express their opinions from an independent and objective standpoint to the Board of Directors to ensure a highly effective management oversight system. As of June 2020, the Board of Directors is chaired by an Independent Director.

【Principle 4-7.】

Companies should make effective use of independent directors, taking into consideration the expectations listed below with respect to their roles and responsibilities:

- (i) Provision of advice on business policies and business improvement based on their knowledge and experience with the aim to promote sustainable corporate growth and increase corporate value over the mid- to long-term;
- (ii) Monitoring of the management through important decision-making at the board including the appointment and dismissal of the senior management;
- (iii) Monitoring of conflicts of interest between the company and the management or controlling shareholders; and
- (iv) Appropriately representing the views of minority shareholders and other stakeholders in the boardroom from a standpoint independent of the management and controlling shareholders.

- (1) The Independent Directors of the Company provide useful advice to enhance corporate value over the medium to long term based on their expert knowledge and abundant experience. They also appropriately carry out deliberations and oversight from an independent and objective standpoint, such as serving as committee members or chair of the Nomination Committee and the Remuneration Committee, which are advisory bodies to the Board of Directors.
- (2) Additionally, the Company holds regular dialogues with external experts and Directors to ensure the Board of Directors takes into account diverse stakeholder perspectives.

【Principle 4-8.】

Independent directors should fulfill their roles and responsibilities with the aim of contributing to sustainable growth of companies and increasing corporate value over the mid- to long-term. Companies listed on the Prime Market should therefore appoint at least one-third of their directors as independent directors (two directors if listed on other markets) that sufficiently have such qualities.

Irrespective of the above, if a company listed on the Prime Market believes it needs to appoint the majority of directors (at least one-third of directors if listed on other markets) as independent directors based on a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, it should appoint a sufficient number of independent directors.

- (1) The Company has six Independent Directors. The current total number of directors is 11, 55% of whom are Independent Directors to create a majority. A system is in place so that the management of the Company can adopt the opinions of Independent Directors from an

objective and independent standpoint.

- (2) In addition, the Company will continue to review the necessary number of Independent Directors while taking a comprehensive view of factors including our industry, the Company's scale, our unique characteristics, institutional design, and the business environment.

【Supplementary Principle 4-8①】

In order to actively contribute to discussions at the board, independent directors should endeavor to exchange information and develop a shared awareness among themselves from an independent and objective standpoint. Regular meetings consisting solely of independent directors (executive sessions) would be one way of achieving this.

- (1) Meetings are held exclusively for Independent Directors to discuss matters to be deliberated at the Board of Directors' meetings as well as exchange information and opinions from an independent and objective standpoint. (Two such meetings were held in FY2024.)
- (2) Meetings are planned for Independent Directors and Audit and Supervisory Committee Members (two such meetings were held in FY2024) to exchange information and opinions on matters including the status of audits conducted by the Audit and Supervisory Committee.

【Supplementary Principle 4-8②】

Independent directors should endeavor to establish a framework for communicating with the management and for cooperating with *kansayaku* or the *kansayaku* board by, for example, appointing the lead independent director from among themselves.

- (1) In order for Independent Directors to fully fulfill their expected roles, joint information sharing meetings to exchange opinions are held with Executive Directors (held monthly in principle), Off-site meetings among all Directors (2 times/year), meetings and opinion exchanges with the Audit and Supervisory Committee Members (2 times/year). In this way, we have established a system to facilitate communication and coordination through the Secretariat of the Board of Directors (the Board Meeting Operation Office) and the Secretariat Department.
- (2) Beginning in June 2020, the Board of Directors has been chaired by an Independent Director, who leads cooperation and coordination with management and Audit and Supervisory Committee as well as discussions.

【Supplementary Principle 4-8③】

Companies that have a controlling shareholder should either appoint at least one-third of their directors (the majority of directors if listed on the Prime Market) as independent directors who are independent of the controlling shareholder or establish a special committee composed of independent persons including independent director(s) to deliberate and review material transactions or actions that conflict with the interests of the controlling shareholder and minority shareholders

As of June 18, 2025, the Company does not have a controlling shareholder.

【Principle 4-9.】

Boards should establish and disclose independence standards aimed at securing effective independence of independent directors, taking into consideration the independence criteria set by securities exchanges. The board should endeavor to select independent director candidates who are expected to contribute to frank, active and constructive discussions at board meetings.

We define the “Standards Concerning the Appointment and Independence of Candidates for Independent Directors.”

<Standards Concerning the Appointment of Candidates for Independent Director>

Sojitz appoints Independent Directors from those with a wide range of knowledge, deep insight, excellent character, mental and physical health conditions, and abundant experience in industries and administrative fields, such as those who have management experience in business corporations and government agencies, and who have objective and specialist viewpoints toward world affairs, social and economic trends, and corporate management. Sojitz also ensures the diversity of the candidates’ gender, age and internationality from the perspective of reflecting the viewpoints of a variety of stakeholders in the supervision of business activities.

<Independence Standards for Independent Directors>

Sojitz judges Independent Directors to be independent by confirming that they do not fall under any of the following 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 Director or Audit and Supervisory Board Member (if such money or property was received by an organization, such as a corporation or partnership, this item refers to a person who belongs to the organization that received money or other property from Sojitz in an amount exceeding ¥10 million annually on average over the past three fiscal years or in an amount of 2% of the annual gross income or annual consolidated revenue, etc. of the organization, whichever the greater.)
 6. A person who receives donations or grants from Sojitz in an amount exceeding ¥10 million annually (if such donations or grants are received by an organization, such as a corporation or partnership, this item refers to a member of business personnel of the organization.)
 7. A person who serves as Sojitz's Accounting Auditor or a person who is engaged in auditing Sojitz's activities as an employee of the Accounting Auditor
 8. A person who has fallen under any of the above items 1. to 7. in the past three years
 9. A spouse or relative within the second degree of kinship of a person falling under any of the above items 1. to 8. (limited to the person holding the position of officer or other important positions)
 10. A spouse or relative within the second degree of kinship of a member of business personnel of Sojitz or any of its consolidated subsidiaries (limited to the person holding the position of officer or other important positions)
 11. A person with concerns about his/her independence, such as having constant and substantial conflict of interest with general shareholders as a whole in performing the duties of Independent Director

【Principle 4-10.】

In adopting the most appropriate organizational structure (as stipulated by the Companies Act) that is suitable for a company's specific characteristics, companies should employ optional approaches, as necessary, to further enhance governance functions.

The Company has selected Company with an Audit and Supervisory Committee as its institutional design under the Companies Act. In addition, we have established a nomination committee and a remuneration committee as advisory bodies to further raise transparency and objectivity of Director nominations and remuneration.

For details, refer to Supplementary Principle 4-10 ①.

【Supplementary Principle 4-10①】

If the organizational structure of a company is either Company with *Kansayaku* Board or Company with Supervisory Committee and independent directors do not compose a majority of the board, in order to strengthen the independence, objectivity and accountability of board functions on the matters of nomination (including succession plans) and remuneration of the senior management and directors, the company should seek appropriate involvement and advice from the committees, including from the perspective of gender and other diversity and skills, in the examination of such important matters as nominations and remuneration by establishing an independent nomination committee and remuneration committee under the board, to which such committees make significant contributions.

In particular, companies listed on the Prime Market should basically have the majority of the members of each committee be independent directors, and should disclose the mandates and roles of the committees, as well as the policy regarding the independence of the composition.

- (1) The current composition of the Board of Directors at the Company is six independent directors (majority) out of a total of 11 directors.
- (2) With regard to the appointment and remuneration of senior management and Directors, since it is particularly necessary to strengthen independence, objectivity, and accountability, the Company has established a Nomination Committee and a Remuneration Committee chaired by an Independent Director as an advisory body to the Board of Directors and has received appropriate involvement and advice. Both the Nomination Committee and the Remuneration Committee are composed of five Independent Directors and one executive director, and the majority of Independent Directors increase the independence and objectivity.
- (3) The Nomination Committee is engaged in the deliberation and proposal to the Board of Directors regarding methods and criteria for the selection of candidates for director and executive officer roles as well as deliberation on specific candidate selection. Additionally, the Committee deliberates on succession planning for the President and skill matrixes for Directors.
- (4) The Remuneration Committee is engaged in the deliberation and proposal to the Board of Directors (excluding Directors who are Audit and Supervisory Committee Members) regarding the establishment and revision of remuneration standards and systems for evaluation and compensation of directors and executive officers. Additionally, the Committee sets performance targets for calculating performance-linked remuneration (short-term) and deliberates on evaluation methods and progress assessments for ESG-related indicators for performance-linked remuneration (medium- to long-term).

【Principle 4-11.】

The board should be well balanced in knowledge, experience and skills in order to fulfill its roles and responsibilities, and it should be constituted in a manner to achieve both diversity, including gender, international experience, work experience and age, and appropriate size. In addition, persons with appropriate experience and skills as well as necessary knowledge on finance, accounting, and the law should be appointed as *kansayaku*. In particular, at least one person who has sufficient expertise on finance and accounting should be appointed as *kansayaku*.

The board should endeavor to improve its function by analyzing and evaluating effectiveness of the board as a whole.

- (1) The Company's Articles of Incorporation stipulate that the number of members of the Board of Directors shall be twelve or less (including five or less Directors who are Audit and Supervisory Committee Members). As of June 18, 2025, the Board of Directors consists of 11 members (seven men and four women), including six Independent Directors. With regard to the selection of directors, a skill matrix is created based on the fields identified as essential to fulfilling management strategy, and the Company considers the appropriate proportion of directors based on organizational structure as well as the diversity of the Board in terms of specialization, gender, age, and international experience. Refer to Supplementary Principle 4-11① for the structure of the Board of Directors.
- (2) The Audit and Supervisory Committee consists of four members (two men and two women), including one Full-time Audit and Supervisory Committee Member well versed in Sojitz Group businesses and three Independent Audit and Supervisory Committee Members with objective perspectives and diverse expertise based on specialist knowledge. The Company has appointed three Audit and Supervisory Committee Members with appropriate experience and capabilities and necessary knowledge of finance and accounting.
- (3) The effectiveness of the Board of Directors is evaluated every year by the Company to confirm that the effectiveness of the Board of Directors of the Company is ensured and to continuously improve its functions further.
For details, refer to Supplementary Principle 4-11③.

【Supplementary Principles 4-11①】

The board should identify the skills, etc. that it should have in light of its managing strategies, and have a view on the appropriate balance between knowledge, experience and skills of the board as a whole, and also on diversity and appropriate board size. Consistent with its view, the board should establish policies and procedures for nominating directors and disclose them along with the combination of skills, etc. that each director possesses in an appropriate form according to the business environment and business characteristics, etc., such as what is known as a “skills matrix.” When doing so, independent director(s) with management experience in other companies should be included.

- (1) In implementing our management strategy, our Board of Directors is required to support swift and decisive decision-making by the executives and to appropriately supervise business execution. Therefore, Sojitz believes it is important for the Board of Directors 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 and digital transformation 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, human resources, and internal controls is necessary to strengthen the business foundation, as well as environmental and social expertise to further promote the realization of a decarbonized, and the resolution of social issues.

- (2) Decisions on Director candidates are based on a skills matrix that lists the specific fields of focus identified to be essential for each officer to effect the management strategy. At the same time, the proportion of the number of Directors is taken into account based on the Company’s organization. We give consideration to creating a balance of knowledge, experience, and ability when appointing the Inside Directors, and basing the decision on the result of deliberations by the Nomination Committee as an advisory body. Candidates are chosen from Executive Officers who are well-versed in topics such as corporate management, finance, accounting, legal affairs/risk management, and digital technologies. For Independent Directors, we focus on selecting candidates with a diversity of experiences and backgrounds.

Please refer to pages 22-24 of the Notice of the 22nd Ordinary General Shareholders’ Meeting for details on the aforementioned skills matrix and our Board of Director appointment policies.

https://www.sojitz.com/pdf/en/ir/meetings/general/2025_01e.pdf

- (3) The Board of Directors is currently comprised of 11 Directors, including six Independent Directors (four of whom are Directors with management experience at other companies).

【Supplementary Principles 4-11②】

Outside directors, outside *kansayaku*, and other directors and *kansayaku* should devote sufficient time and effort required to appropriately fulfill their respective roles and responsibilities. Therefore, where directors and *kansayaku* also serve as directors, *kansayaku* or the management at other companies, such positions should be limited to a reasonable number and disclosed each year.

- (1) We limit the number of Directors with concurrent positions at other listed companies, to a reasonable extent.
- (2) The status of important concurrent positions at other listed corporations, etc. held by Directors as of the 22nd Ordinary General Shareholders' Meeting held June 18, 2025, is stated on pages 11-17 and page 19 of the "Notice of the 22nd Ordinary General Shareholders' Meeting."

https://www.sojitz.com/pdf/en/ir/meetings/general/2025_01e.pdf

【Supplementary Principles 4-11③】

Each year the board should analyze and evaluate its effectiveness as a whole, taking into consideration the relevant matters, including the self-evaluations of each director. A summary of the results should be disclosed.

Each year, we analyze and assess the effectiveness of the Board of Directors as a whole in order to improve its functions. In FY2024, upon the transition to a Company with Audit and Supervisory Committee, in order to further enhance the function of the Board of Directors, the Company hired an independent third party (Japan Board Review Co., Ltd.) to conduct an analysis and evaluation.

The method of analysis and the results of the FY2024 assessment, as well as the action plan for the fiscal year 2025 based on these results, are as follows.

1. Assessment Methods

Target	All 11 Directors
Method of implementation	<ul style="list-style-type: none"> - Sent a questionnaire from the third party to all Directors (anonymous/scale of 1-5/additional notes column for each question), after which recovered and calculated the answers. - Based on the results of the questionnaire responses, the third party conducted individual interviews with all Directors. - Based on the final report of the third party, the Board of Directors deliberated issues and the future action policy. - Based on the deliberations in the Board of Directors, decided the agenda details for next year and the policy for each initiative.
Questionnaire items	<ol style="list-style-type: none"> 1. Medium-to-long-term business issues and risks 2. Board of Directors roles and functions

	3. Scale and composition of Board of Directors 4. Operational status of Board of Directors 5. Composition/role and operational status of Nomination Committee 6. Composition/role and operational status of Remuneration Committee 7. Composition/role and operational status of Audit and Supervisory Committee 8. Support system for Independent Directors 9. Response to issues from previous year evaluation 10. Relationship with investors/shareholders 11. Overall effectiveness of governance system and Board of Directors of the Company 12. Self-evaluation
Interview items	Interview focused on issues grasped from comments in the additional notes column and points in the questionnaire.

2. Effective assessment results

The Board of Directors discussed the results of the survey and individual interviews and confirmed that the effectiveness of the Company's Board of Directors has been ensured.

(1) Evaluated items

Through the questionnaire and individual interviews, the following points were evaluated highly.

1) Related to transition to a Company with Audit and Supervisory Committee

- The delegation of authority to executive members corresponding to the transition to a Company with Audit and Supervisory Committee reduced the number of proposals and streamlined the report items. This was evaluated highly as it managed to improve the quality of discussion in the Board of Directors and enhance the speed of management decisions.
- The Audit and Supervisory Committee had a smooth start in its first year as it conducted appropriate deliberations through appropriate operation and structure.

2) Scale and composition of Board of Directors

- The Board is an appropriate scale and composition, being comprised of members with a balance from the perspective of the skills matrix.

3) Operations of Board of Directors

- Under the appropriate operation of the Board of Directors meetings (frequency/time of meetings, resolution items, materials, briefings, etc.), executive members properly present and share information.
- Open and lively deliberations are conducted in the Board of Directors meetings. Independent Directors provide opinions and observations from a perspective that contributes to improving corporate value and differs from the discussions of each meeting inside the Company.
- Opinion exchanges in pre-meeting briefings and outside the deliberations are actively held. Therefore, the Board of Directors meeting itself can be held with members fully prepared to discuss proposals.
- Discussion point organization before the Board of Directors meetings and the operation of the discussion on the day of the meeting by the Chair contributes to improving the quality of the Board of Directors discussion.

4) Support system for Independent Directors

- Support system for Independent Directors (pre-meeting briefings, information sharing meetings with Executive Directors, participation as observer in management level training camp summer sessions, business office visits in and outside Japan) is appropriate.

(2) Initiatives and actions taken for FY2024

1) Medium-Term Management Plan 2026

Initiatives for FY2024	Actions taken
<ul style="list-style-type: none"> - With regard to the Medium-Term Management Plan 2026, we will continue regular progress reports and divisional reports by divisional COOs, and deepen discussions on the long-term vision, business portfolio, DX promotion, and human capital, while utilizing opportunities other than the Board of Directors meetings. - In addition to the existing reporting on the progress of investment and loan projects, the frequency and method of reporting will be reviewed and improved. 	<ul style="list-style-type: none"> - In the FY2024 Board of Directors meetings, included progress of Medium-Term Management Plan, progress on human capital measures, and DX promotion activities as regular discussion items in the annual plan and secure sufficient deliberation time for each. The time generated by reducing discussion items and streamlining the reporting items corresponding with delegation of authority to executive members was allocated for these important regular discussion items, allowing for regular monitoring of each progress status in the Board of Directors and deepening discussions on issues, response status, and future direction, etc. - Utilizing opportunities besides the Board of Directors meetings, proactively shared discussions (summer sessions) for the improvement of clarity of Medium-Term Management Plan and the early achievement of the Next Stage (double growth in corporate value), as well as the initiative status for projects under consideration and human capital measures (information sharing meeting) to Independent Directors. - Also, made appropriate follow-ups at appropriate times on investment and loan projects resolved in the Board of Directors meetings (also issued reports in the information sharing meetings and the Board of Directors as needed).

2) Transition to a Company with Audit and Supervisory Committee

Initiatives for FY2024	Actions taken
<ul style="list-style-type: none"> - In line with the transition to a Company with Audit and Supervisory Committee, review the board agenda to delegate some of the authority for important business execution decisions to the Executive Directors. - Following the transition, the Board of Directors will continue to review the board agenda and maintain the existing information-sharing mechanism to prevent information gaps among Independent Directors, and make improvements as necessary. 	<p>< Deliberation by the Board of Directors ></p> <ul style="list-style-type: none"> - The delegation of authority to executive members reduced the number of proposals and streamlined the report items, improving the quality of discussion in the Board of Directors and enhancing the speed of management decisions. <p>< Response to information gaps among Independent Directors ></p> <ul style="list-style-type: none"> - Continued the previous system of sharing information and proactively shared projects under consideration, the initiative status of human capital measures, the status of dialogues with investors and comments from investors. - Held meetings and opinion exchanges between Independent Directors who are and are not Audit and Supervisory Committee Members and shared

	the activities status of the Audit and Supervisory Committee among Independent Directors.
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(3) Initiatives for FY2025

1) Ongoing discussion in the Board of Directors meeting, etc. about the medium-to-long-term strategy and distribution of management resources

- Utilize the time created by reducing the number of resolutions by delegating authority as a result of the transition to a Company with Audit and Supervisory Committee and continuously discuss the medium-to-long term strategy and distribution of management resources in order to achieve the Medium-Term Management Plan 2026 and Next Stage (double growth of corporate value).
- In these discussions, take efforts to provide communication and explanations based on the gap of current status recognition and information between executive members and Independent Directors. Also utilize opportunities outside of deliberations to further enhance discussions.
- Proactively propose and suggest specific themes and discussion points to deepen the discussions at the Board of Directors meetings.

2) Efforts to provide information to Independent Directors in order to enhance supervisory functions

- While maintaining active opinion exchange in pre-meeting briefings and other opportunities outside of the deliberations, take efforts to adjust the agenda setting and the specificity of information and materials provided at the Board of Directors meetings to ensure that such meetings allow for substantial debate from a broad perspective.
- Continue the previous system of information sharing (Independent Director meetings and opinion exchange sessions, etc. of both Independent Directors who are and who are not Audit and Supervisory Committee Members) while aiming to make improvements when necessary, so that Independent Directors can freely share recognition and exchange opinions on matters and issues on the executive side, leading to monitoring discussions at the Board of Directors meetings.

【Principle 4-12.】

The board should endeavor to foster a climate where free, open and constructive discussions and exchanges of views take place, including the raising of concerns by outside directors.

The Board of Directors holds open and constructive discussions to actively exchange opinions. In 2020, an Independent Director was appointed as the Chair of the Board of Directors. Independent Directors have also made up the majority of the Board from 2023.

【Supplementary Principle 4-12①】

The board should ensure the following in relation to the operation of board meetings and should attempt to make deliberations active:

- (i) Materials for board meetings are distributed sufficiently in advance of the meeting date;
- (ii) In addition to board materials and as necessary, sufficient information is provided to directors by the company (where appropriate, the information should be organized and/or analyzed to promote easy understanding);
- (iii) The schedule of board meetings for the current year and anticipated agenda items are determined in advance;
- (iv) The number of agenda items and the frequency of board meetings are set appropriately; and
- (v) Sufficient time for deliberations.

The Company is making the following efforts to make the deliberations of the Board of Directors active.

- (i) Materials for board meetings are distributed at least 5 business days prior to the pre-briefing to ensure thorough understanding of the agenda;
- (ii) Opportunities are provided for prior explanation of agenda items at least 2 business days in advance, materials other than those for the Board of Directors are provided, and sufficient information is provided on agenda items;
- (iii) In order to secure time for discussions on important matters, the annual schedule and agenda of the Board of Directors meetings is finalized at the beginning of the fiscal year;
- (iv) The number of agenda items and the frequency of meetings are set appropriately; depending on the nature of the case, the Company makes written resolutions and reports flexibly; and
- (v) Materials that briefly summarize the main points are distributed in advance and sufficient deliberation time, including explanation meetings in advance, is ensured.

【Principle 4-13.】

In order to fulfill their roles and responsibilities, directors and *kansayaku* should proactively collect information, and as necessary, request the company to provide them with additional information.

Also, companies should establish a support structure for directors and *kansayaku*, including providing sufficient staff.

The board and the *kansayaku* board should verify whether information requested by directors and *kansayaku* is provided smoothly.

- (1) We believe that it is necessary for each Director to obtain sufficient information in order for them to effectively perform the management oversight function. Directors proactively obtain information as needed.
For details, refer to Supplementary Principles 4-13 ①, ②, and ③.
- (2) In addition, in order to support the acquisition of sufficient information, the Board Meeting Operation Office, which serves as the secretariat of the Board of Directors, and the Secretariat Department will play central roles for the Directors.
- (3) The Audit and Supervisory Committee is supported by two employees well versed in Sojitz Group's businesses, finance and accounting, and risk management. The Audit and Supervisory Committee acquires the necessary information through these employees in addition to requesting reports and surveys from the Internal Audit Department, and the Committee provides concrete directives as needed.
- (4) The employees who provide support to the Audit and Supervisory Committee perform their duties in accordance with instructions given by the Committee. Evaluations and transfers of these employees must be made in consultation with the Audit and Supervisory Committee to ensure the independence and effectiveness of audits.
- (5) Each year, the effectiveness of the Board of Directors is evaluated to confirm that the information and materials required by each Director are provided smoothly and improvements are made each time evaluations are conducted.

【Supplementary Principles 4-13①】

Directors, including outside directors, should request the company to provide them with additional information, where deemed necessary from the perspective of contributing to transparent, fair, timely and decisive decision-making. In addition, *kansayaku*, including outside *kansayaku*, should collect information appropriately, including the use of their statutory investigation power.

- (1) Directors request additional information from the Company as necessary in order to

deepen discussions by the Board of Directors and ensure the transparent, fair, prompt, and decisive decision-making of the Company. Directors may attend internal meetings of their own accord and proactively obtain information as needed. When additional information is requested by a Director, the Company promptly provides the information at a Board of Directors meeting or other informal meeting of the Board or submits the information via the Board Meeting Operation Office.

- (2) Audit and Supervisory Committee Members may exercise their investigative authority in accordance with laws and regulations if they deem it necessary to more effectively perform their auditing functions.

【Supplementary Principles 4-13②】

Directors and *kansayaku* should consider consulting with external specialists at company expense, where they deem it necessary.

The Company's Directors have a system where they can obtain advice from outside experts such as attorneys at the expense of the Company if necessary. Additionally, the Company bears expenses required for the Audit and Supervisory Committee to perform their duties.

【Supplementary Principles 4-13③】

Companies should ensure coordination between the internal audit department, directors and *kansayaku* by establishing a system in which the internal audit department appropriately reports directly to the board and the *kansayaku* board in order for them to fulfill their functions. In addition, companies should take measures to adequately provide necessary information to outside directors and outside *kansayaku*. One example would be the appointment of an individual who is responsible for communicating and handling requests within the company such that the requests for information about the company by outside directors and outside *kansayaku* are appropriately processed

- (1) The Internal Audit Department regularly reports the results of internal audits to the Board of Directors.
- (2) The Internal Audit Department reports audit results directly to the Audit and Supervisory Committee Meeting. Additionally, the Audit and Supervisory Committee requests reports and surveys to be made by the Internal Audit Department and provides concrete directives as necessary.
- (3) Full-time Audit and Supervisory Committee Members and the General Manager of the Internal Audit Department hold regular interviews to share information and exchange opinions in a timely manner regarding insights and issues related to various audit activities.

- (4) In order to properly provide the necessary information to Independent Directors, the secretariat of the Board of Directors (the Board Meeting Operation Office), plays a central role. The Audit and Supervisory Committee is supported by multiple employees well versed in Sojitz Group's businesses, finance and accounting, and risk management. The Independent Audit and Supervisory Committee is provided with necessary information via these employees.

【Principle 4-14.】

New and incumbent directors and *kansayaku* should deepen their understanding of their roles and responsibilities as a critical governance body at a company, and should endeavor to acquire and update necessary knowledge and skills. Accordingly, companies should provide and arrange training opportunities suitable to each director and *kansayaku* along with financial support for associated expenses. The board should verify whether such opportunities and support are appropriately provided.

- (1) Directors of the Company work to deepen their understanding of the roles and responsibilities expected of them as well as to study the necessary knowledge and update them appropriately.
- (2) The Company provides opportunities to acquire and improve the knowledge necessary for that purpose at any time, and also supports necessary expenses as needed.
For details on training, refer to Supplementary Principles 4-14① and ②.
- (3) The Board of Directors confirms whether such measures are taken appropriately in the annual effectiveness evaluation of the Board of Directors.

【Supplementary Principles 4-14①】

Directors and *kansayaku*, including outside directors and outside *kansayaku*, should be given the opportunity when assuming their position to acquire necessary knowledge on the company's business, finances, organization and other matters, and fully understand the roles and responsibilities, including legal liabilities, expected of them. Incumbent directors should also be given a continuing opportunity to renew and update such knowledge as necessary.

- (1) The Company provides an opportunity for new Directors at the time of their appointment to acquire knowledge about the medium-term management plan, internal controls, risk management structure, IR and sustainability initiatives, and holds lectures by an outside lawyer to explain their business obligations and responsibilities as Directors so that they may fulfill their roles and responsibilities.

- (2) After taking office, Independent Directors pay on-site visits to businesses both in Japan and overseas to deepen their understanding of the business (two visits conducted in FY2024). In addition, the Company continues to provide other necessary information as required, including reports by securities analysts and internal newsletters. Full-time Audit and Supervisory Committee Members attend the Management Committee among other important internal meetings to obtain information in a timely manner.

【Supplementary Principles 4-14②】

Companies should disclose their training policy for directors and *kansayaku*.

We take the following initiatives to enable Directors to appropriately fulfill their roles and responsibilities.

- 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 opportunities to attend seminars, etc. as necessary held by external organizations.

Please refer to the Supplementary Principle 4-14①(1).

Section 5: Dialogue with Shareholders

【General Principle 5】

In order to contribute to sustainable growth and the increase of corporate value over the mid- to long-term, companies should engage in constructive dialogue with shareholders even outside the general shareholder meeting.

During such dialogue, senior management and directors, including outside directors, should listen to the views of shareholders and pay due attention to their interests and concerns, clearly explain business policies to shareholders in an understandable manner so as to gain their support, and work for developing a balanced understanding of the positions of shareholders and other stakeholders and acting accordingly.

- (1) The Company provides a wide range of opportunities for dialogue with shareholders, including general shareholders meetings, financial results briefings, business briefings, briefings for individual investors, briefings for individual shareholders, and meetings with institutional investors.

Please refer to Principle 5-1 for policy details.

- (2) Senior management (including the President and the CFO) communicate with investors through individual meetings, small group meetings, and other briefings. Management leads these meetings as the main speaker, both listening directly to the opinions of shareholders and personally explaining the Company's management strategies. Shareholder questions and opinions shared at these meetings are communicated to the Investor Relations & Corporate Sustainability Department, the dedicated body responsible for addressing investor feedback. The Investor Relations Office shares these perspectives and opinions throughout the company as appropriate.

【Principle 5-1.】

Companies should, positively and to the extent reasonable, respond to the requests from shareholders to engage in dialogue (management meetings) so as to support sustainable growth and increase corporate value over the mid- to long-term. The board should establish, approve and disclose policies concerning the measures and organizational structures aimed at promoting constructive dialogue with shareholders.

- (1) Sojitz maintains a core policy of engaging in constructive dialogue with shareholders and investors. Sojitz continues to provide shareholders and investors with appropriate and timely information on management policy and initiatives that is clear, logical, and easy to understand in order to achieve sustained growth and increase corporate value over the medium-to-long term. Stakeholder opinions are then reported to the upper management and reflected in management decisions. To ensure fair and appropriate disclosure to its stakeholders, including shareholders and investors, in accordance with the Fair Disclosure Rule, Sojitz has established and observes 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.

Please refer to the Sojitz website for details on Communication with Shareholders – Basic Policy: <https://www.sojitz.com/en/ir/stkholder/dialog/>

- (2) Sojitz has established a system where senior management (including the President and the CFO) and Directors (including Independent Directors) play an active role in dialogue with shareholders, with support from the Investor Relations & Corporate Sustainability Dept. as a dedicated body for this purpose. The specific initiatives undertaken in relation to the Company’s dialogue with shareholders is as follows:

Parties	Initiatives
Individual shareholders and individual investors	<p>Sojitz strives to maintain and strengthen information disclosure for individual shareholders by issuing shareholder newsletters and by holding shareholder briefings for individual shareholders every year to provide opportunities for direct dialogue with Sojitz management.</p> <p>In addition, briefings for individual investors are regularly held and archived videos are available.</p>
Analysts and Institutional investors	<p>Sojitz holds dialogues with stakeholders through individual meetings as well as regular briefings on financial results and individual businesses. In addition to these efforts, Sojitz held a briefing on Integrated Report 2024, a small meeting with Independent Directors, and briefing on strategies for the division in FY2024.</p> <p>For further details on these events, please refer to the Sojitz website. https://www.sojitz.com/en/ir/meetings/irday/</p>
Overseas investors	<p>Direct dialogue with overseas investors was conducted through individual meetings (in person or online) with investors in regions including North America, Europe, Hong Kong, Singapore, and Australia, as well as through participation in conferences hosted by securities companies.</p>

【Supplementary Principles 5-1①】

Taking the requests and interests of shareholders into consideration, to the extent reasonable, the senior management, directors, including outside directors, and *kansayaku*, should have a basic position to engage in dialogue (management meetings) with shareholders.

- (1) From the perspective of emphasizing dialogue with shareholders, senior management (including the President and the CFO), the COO of the IR Office, and Directors (including Independent Directors), to a reasonable extent attend financial results briefings, business briefings, IR Day events, and meetings with domestic and foreign investors.

Furthermore, the investors considering Sojitz as an investment target have spread and expanded, and we aim to enhance our corporate value by deepening dialogue through briefings and interviews, after verifying their attributes, whether new or existing, domestic or foreign. Moreover, we have assigned representatives to engage in IR activities in the United States and are focusing on enhancing our relationship with stakeholders.

<Main topics and concerns of dialogue with shareholders and investors:>

- The progress of Medium-term Management Plan 2026 and long-term vision
- Initiatives aimed at achieving PBR of over 1.0
- Shareholder returns policy
- Sustainability approach and initiatives
- Human resource strategies
- Changes resulting from the transition to a Company with Audit and Supervisory Committee
- Matters requiring resolution by the General Shareholders' Meeting
- Investors' investment policies, expectations, and requests

<Dialogue results in FY2024>

IR events	Sojitz attendees	Participants	Frequency
General Shareholders' Meeting	Representative Director and Chairman Representative Director and President CFO Inside and Independent Directors Audit and Supervisory Board Members Executive Officers	Shareholders	Once
Financial results briefings	Representative Director and President CFO Executive Officers	Analysts Institutional investors	4 times
Briefings for individual shareholders and investors	Representative Director and President CFO Executive Officers Dedicated IR organization	Individual shareholders Individual investors	5 times
Small meetings	Representative Director and President CFO Independent Directors Executive Officers	Analysts Institutional investors	5 times
Business activities briefings	CFO Executive Officers	Analysts Institutional investors	Twice

IR and SR meetings in Japan and abroad	Representative Director and President CFO Independent Directors Executive Officers Dedicated IR organization U.S. representatives (IR specialists)	Analysts Institutional investors Shareholders	465 times (Number of interview participants)
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- (2) We also hold regular opportunities for dialogue with Independent Directors and institutional investors. Summaries of the dialogues between Independent Directors and institutional investors can be found on the Sojitz website.

<https://www.sojitz.com/en/ir/meetings/outside/>

【Supplementary Principles 5-1②】

At minimum, policies for promoting constructive dialogue with shareholders should include the following:

- (i) Appointing a member of the management or a director who is responsible for overseeing and ensuring that constructive dialogue takes place, including the matters stated in items ii) to v) below;
- (ii) Measures to ensure positive cooperation between internal departments such as investor relations, corporate planning, general affairs, corporate finance, accounting and legal affairs with the aim of supporting dialogue;
- (iii) Measures to promote opportunities for dialogue aside from individual meetings (e.g., general investor meetings and other IR activities);
- (iv) Measures to appropriately and effectively relay shareholder views and concerns learned through dialogue to the senior management and the board; and
- (v) Measures to control insider information when engaging in dialogue.

The Company operates as follows in order to promote constructive dialogue with shareholders:

- (i) We have established a system in which the executive officer in charge of Investor Relations provides oversight of IR matters to ensure constructive dialogue with shareholders and the IR & Corporate Sustainability Department coordinates measures related to shareholder dialogues and provides support as a dedicated organization for investor relations. Additionally, senior management (including the President and the CFO) and Directors (including Independent Directors) will be the primary leaders of shareholder dialogues.
- (ii) In addition to the role of the IR & Corporate Sustainability Department, which is an internal organization that assists in dialogues to control information from related departments, the Company has established a system for coordination among departments, which is made up of representatives from each department, including the Corporate Planning Department, the Public Relations Department, and the Legal

Department to promote stakeholder understanding and increase corporate value.

- (iii) The IR & Corporate Sustainability Department regularly holds multiple opportunities for dialogue outside of individual meetings including financial results briefings, IR Day events, business briefings, briefings for individual investors, briefings for individual shareholders, and meetings with institutional investors.
- (iv) The IR & Corporate Sustainability Department collects questions, opinions, and concerns from shareholders obtained through briefings and interviews and reports them to senior management and the relevant departments.
- (v) 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 ensures strict compliance by executive officers and employees.

【Supplementary Principles 5-1③】

Companies should endeavor to identify their shareholder ownership structure as necessary, and it is desirable for shareholders to cooperate as much as possible in this process.

In order to enhance IR activities and constructive dialogue with shareholders, the Company gleans the distribution of shareholders from the shareholder register at the end of March and at the end of September each year and conducts a survey to identify actual shareholders.

【Principle 5-2.】

When establishing and disclosing business strategies and business plans, companies should articulate their earnings plans and capital policies, and present targets for profitability and capital efficiency after accurately identifying the company’s cost of capital. Also, companies should provide explanations that are clear and logical to shareholders with respect to the allocation of management resources, such as reviewing their business portfolio and investments in fixed assets, R&D, and human capital, and specific measures that will be taken in order to achieve their plans and targets.

- (1) Positioning of Medium-Term Management Plan 2026 “Set for Next Stage”
We have set the vision of Sojitz in 2030 as “Becoming a general trading company that constantly cultivates new businesses and human capital,” and as the Next Stage, we aim to grow to a net profit of ¥200.0 billion and a market capitalization of ¥2 trillion. The Medium-term Management Plan 2026 is designed to strengthen the base of growth and human capital in preparation for the Next Stage. We will invest actively in our base of

growth and human capital to creating the “Sojitz Growth Story,” which is the key message for reaching the Next Stage.



(2) Quantitative Targets

To realize a Sojitz Growth Story, we have set three specific quantitative targets in the Medium-term Management Plan 2026. First, we will invest ¥600.0 billion for future growth, while maintaining financial discipline. Second, we will aim to increase corporate value and shareholder value by achieving a ROE of over 12%, which is higher than the 9-10% cost of shareholders' equity that we recognize over a three-year average, and a net profit of over ¥120.0 billion. Third, approximately 30% of core operating cash flow will be used for shareholder returns.



➡ MTP2023 EPS: ¥428/share (3-year avg.) ➡➡ MTP2026 EPS: ¥570/share (3 years avg.)

vs. MTP2023 **Annualized rate: +10% growth**

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

*Shareholder's equity DOE: Dividend / shareholder equity

*Shareholder's Equity is after deducting other components of equity from total equity at the end of the previous fiscal year

(3) Initiatives for Enhancing Corporate Value

1) Strengthening of Growth Foundation

In the first year of the Medium-term Management Plan 2026, we are working to realize a Sojitz Growth Story by expanding new investments that leverage Sojitz's competitive edge and refining existing businesses.

- Expansion of New Investments -

In the Australian infrastructure business, we have decided to acquire one of Australia's largest infrastructure development companies. We will acquire new functions, handle large-scale projects from start to finish, and pursue portfolio transformation toward achieving the Next Stage.

In the energy conversation service business, which responds to growing energy demand and the realization of a decarbonized society, we are steadily building revenue clusters by executing bolt-on investments in the US and Australia to expand existing businesses, following on from the previous Medium-term Management Plan. Going forward, we plan to further expand revenue clusters with rapid expansion into other growth markets.

In the marine food products business that aims to build sustainable supply chains, we are combining upstream and midstream initiatives from the past with newly acquired US retail capabilities through recent investments to expand the value chain and form revenue clusters. Going forward, we will further enhance our raw material procurement and sales capabilities through greater collaboration within the Group.

- Refining Existing Businesses -

In the chemicals business, we are working to increase profitability by leveraging our extensive network and proposal and execution capabilities. We will continue to increase profitability by acquiring and expanding business areas through new investments.

In the fertilizer business in Southeast Asia, we are further building up our top-class market share and high sales capabilities gained through many years of business management in the region, while also taking on the challenge of new business areas through the utilization of DX, as described below.

In addition, in the rental apartment business and shipping business, we have established a framework for sustainable growth by sharing part of our existing businesses with external partners who can become best owners, while continuing to provide our strengths in functionality, thereby growing the businesses together with our partners and expanding their scale.

By executing the Sojitz Growth Story in other business segments as well, we will

achieve accelerated growth toward the Next Stage.

Please refer to the Sojitz' annual report for details on growth strategies by segment, DX strategies, and EX strategies.

<https://www.sojitz.com/en/ir/reports/vsecurity/>

2) Reinforcement of Human Capital

Under the Medium-term Management Plan 2026, we are working to realize a Sojitz Growth Story to enhance our “capability of value creation” and “capability of value-up” as outlined in the human capital strategies. We are working to strengthen diversity in our human capital and strengthen middle management, and developing human capital capable of sustainably creating and managing businesses by flexibly allocating human capital.

As a foundation to support the strengthening of human capital, we will expand the culture that is distinctively Sojitz, such as challenge and flexible thinking, through “unique Sojitz culture,” “Digital in All,” and “effective data-driven dialogue” and maximize our “capability of value creation” and “capability of value-up.”

Please refer to Supplementary Principle 3-1③ for more details on human resource policies.

(4) Cash Flow Management

We will use core operating cash flow and asset replacement as resources to growth investment and investments in human capital for further growth and shareholder return. Approximately 70% of basic operating cash flow will be used to growth investment and investment in human capital, and approximately 30% will be used to shareholder return.

(5) Policy for Determining Dividends of Surplus, Etc.

Sojitz is to allocate approximately 30% of its accumulated core operating cash flow to shareholders return during the period of Medium-term Management Plan 2026.

- Dividends
 - Sojitz has set a dividend policy of 4.5% shareholder equity DOE, which minimizes the impact of fluctuations in business performance, stock prices, and exchange rates, in order to provide stable and continuous dividends.
 - This is a dividend policy that allows for a progressive increase in dividends as long as the increase in shareholders' equity due to net income exceeds the decrease in shareholders' equity due to shareholder return.
- Share Repurchase
 - Based on the cash flow management policy, Sojitz will flexibly implement share buybacks throughout the period of Medium-term Management Plan 2026.

*For further details on the targets set under Medium-term Management Plan 2026, see Principle 3-1. For further details on human capital investments, see Supplementary

Principles 3-1③.

*For further details on Medium-term Management Plan 2026, refer to the Sojitz website.
<https://www.sojitz.com/pdf/en/corporate/strategy/plan/chukei2026e.pdf>

【Supplementary Principles 5-2①】

In formulating and announcing business strategies, etc., companies should clearly present the basic policy regarding the business portfolio decided by the board and the status of the review of such portfolio.

- (1) Our basic policy regarding our business portfolio is outlined in Medium-term Management Plan 2026.

<https://www.sojitz.com/pdf/en/corporate/strategy/plan/chukei2026e.pdf>

- (2) Progress in relation to Medium-term Management Plan 2026 is reported in financial results and other materials. For further details on Strengthening of Growth Foundation and Cash Flow Management, see General Principle 5-2 and link below.

Financial Results: <https://www.sojitz.com/en/ir/financial/>