Sojitz Corporation

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions
This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.
Terms of disclosure for corporate questionnaire 2024 - CDP

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02/27/2025, 11:35 pm

Contents

C1. Introduction

(1.1) In which language are you submitting your response?

Select from:

☑ English

(1.2) Select the currency used for all financial information disclosed throughout your response.

Select from:

☑ JPY

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

☑ Publicly traded organization

(1.3.3) Description of organization

Sojitz Corporation was formed out of the union of Nichimen Corporation and Nissho Iwai Corporation, both companies that boast incredibly long histories. For more than 160 years, our business has helped support the development of countless countries and regions. Today, the Sojitz Group consists of approximately 400 subsidiaries and affiliates located in Japan and throughout the world, developing wide-ranging general trading company operations in a multitude of countries and regions. Sojitz Group is engaged in a wide range of businesses globally, including manufacturing, selling, importing, and exporting a variety of products, in addition to providing services and investing in diversified businesses, both in Japan and overseas. Sojitz operates with a 7-division structure comprising the Automotive Division; the Aerospace, Transportation and Infrastructure Division; Energy Solution & Healthcare Division; the Metals, Mineral Resources & Recycling Division; the Chemicals Division; the Consumer Industry & Agriculture Business Division; and the Retail & Consumer Service Division.
[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years
	03/31/2024	*Select from:* ☑ Yes	*Select from:* ☑ No

[Fixed row]

(1.4.1) What is your organization's annual revenue for the reporting period?

2414649000000

(1.5) Provide details on your reporting boundary.

	Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?
	Select from: ☑ Yes

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ Yes

(1.6.2) Provide your unique identifier

JP3663900003

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

☑ No

[Add row]

(1.7) Select the countries/areas in which you operate.

Select all that apply

☑ Guam
☑ Chile
☑ China
☑ Egypt
☑ India
☑ Belgium
☑ Germany
☑ Myanmar
☑ Nigeria
☑ Japan
☑ Kenya
☑ Brazil
☑ Canada
☑ Mexico
☑ Malaysia
☑ Thailand
☑ Viet Nam
☑ Australia

☑ Ukraine
☑ Singapore
☑ Netherlands
☑ Philippines
☑ Puerto Rico
☑ Taiwan, China
☑ United States of America
☑ United Kingdom of Great Britain and Northern Ireland
☑ Indonesia
☑ Cayman Islands
☑ Republic of Korea
☑ Russian Federation
☑ Hong Kong SAR, China
☑ United Arab Emirates

(1.11) Are greenhouse gas emissions and/or water-related impacts from the production, processing/manufacturing, distribution activities or the consumption of your products relevant to your current CDP disclosure?

Production

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Value chain (including own land)

Processing/ Manufacturing

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Direct operations

Distribution

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:
☑ Direct operations

Consumption

(1.11.1) Relevance of emissions and/or water-related impacts

Select from:

☑ Yes

[Fixed row]

(1.22) Provide details on the commodities that you produce and/or source.

Timber products

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Processing

☑ Trading

☑ Manufacturing

☑ Retailing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ Yes, we are providing the total volume

(1.22.5) Total commodity volume (metric tons)

2431000

(1.22.8) Did you convert the total commodity volume from another unit to metric tons?

Select from:

☑ Yes

(1.22.9) Original unit

Select all that apply

☑ Cubic meters

☑ Other, please specify :metric tons

(1.22.10) Provide details of the methods, conversion factors used and the total commodity volume in the original unit

Converted as 0.7 metric tons/m3

(1.22.11) Form of commodity

Select all that apply

☑ Pulp

☑ Paper

☑ Hardwood logs

☑ Softwood logs

☑ Primary packaging

☑ Tertiary packaging

☑ Secondary packaging

☑ Wood-based bioenergy

☑ Sawn timber, veneer, chips

☑ Boards, plywood, engineered wood

(1.22.12) % of procurement spend

Select from:

☑ 1-5%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ 1-10%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ Yes, disclosing

(1.22.15) Is this commodity considered significant to your business in terms of revenue?

Select from:

☑ Yes

(1.22.19) Please explain

Because wood products require environmental and social considerations in the supply chain, the Sojitz Group has established a wood procurement policy focusing on legality and environmental and social considerations, which it views as highly important.

Palm oil

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Trading

☑ Manufacturing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ No, the total volume is confidential

(1.22.11) Form of commodity

Select all that apply

☑ Refined palm oil

(1.22.12) % of procurement spend

Select from:

☑ 1-5%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ 1-10%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ No, not disclosing

(1.22.16) Reason for not disclosing

Select all that apply

☑ Data is confidential

(1.22.18) Explanation for not disclosing

This is confidential data.

Cattle products

(1.22.1) Produced and/or sourced

Select from:

☑ Produced and sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Production

☑ Processing

☑ Trading

☑ Manufacturing

☑ Retailing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ No, the total volume is confidential

(1.22.11) Form of commodity

Select all that apply

☑ Beef

(1.22.12) % of procurement spend

Select from:

☑ 1-5%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ 1-10%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ No, not disclosing

(1.22.16) Reason for not disclosing

Select all that apply

☑ Data is confidential

(1.22.18) Explanation for not disclosing

This is confidential data.

Soy

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Trading

☑ Retailing

(1.22.3) Indicate if you have direct soy and/or embedded soy in your value chain

Select from:

☑ We do not know if we source embedded soy

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ No, the total volume is confidential

(1.22.11) Form of commodity

Select all that apply

☑ Whole soybeans

(1.22.12) % of procurement spend

Select from:

☑ 1-5%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ 1-10%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ No, not disclosing

(1.22.16) Reason for not disclosing

Select all that apply

☑ Data is confidential

(1.22.18) Explanation for not disclosing

This is confidential data.

Coffee

(1.22.1) Produced and/or sourced

Select from:

☑ Sourced

(1.22.2) Commodity value chain stage

Select all that apply

☑ Trading

☑ Retailing

(1.22.4) Indicate if you are providing the total commodity volume that is produced and/or sourced

Select from:

☑ No, the total volume is confidential

(1.22.11) Form of commodity

Select all that apply

☑ Other, please specify :coffee beans

(1.22.12) % of procurement spend

Select from:

☑ 1-5%

(1.22.13) % of revenue dependent on commodity

Select from:

☑ 1-10%

(1.22.14) In the questionnaire setup did you indicate that you are disclosing on this commodity?

Select from:

☑ No, not disclosing

(1.22.16) Reason for not disclosing

Select all that apply

☑ Data is confidential

(1.22.18) Explanation for not disclosing

This is confidential data.

[Fixed row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

☑ Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

☑ Upstream value chain

☑ Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

☑ Tier 4+ suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

☑ All supplier tiers known have been mapped

(1.24.6) Smallholder inclusion in mapping

Select from:

☑ Smallholders relevant and included

(1.24.7) Description of mapping process and coverage

We have secured 100% traceability of our wood products, sending out a questionnaire based on a WWF checklist to wood-related suppliers every year to confirm supplier mapping.

[Fixed row]

(1.24.2) Which commodities has your organization mapped in your upstream value chain (i.e., supply chain)?

Timber products

(1.24.2.1) Value chain mapped for this sourced commodity

Select from:

☑ Yes

(1.24.2.2) Highest supplier tier mapped for this sourced commodity

Select from:

☑ Tier 4+ suppliers

(1.24.2.3) % of tier 1 suppliers mapped

Select from:

☑ 76-99%

(1.24.2.4) % of tier 2 suppliers mapped

Select from:

☑ 76-99%

(1.24.2.5) % of tier 3 suppliers mapped

Select from:

☑ 76-99%

(1.24.2.6) % of tier 4+ suppliers mapped

Select from:

☑ 76-99%

(1.24.2.7) Highest supplier tier known but not mapped for this sourced commodity

Select from:

☑ All supplier tiers known have been mapped for this sourced commodity

[Fixed row]

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

As part of the criteria required by ISO14001, Sojitz carries out the PDCA cycle as part of its action plan each year to achieve its long-term vision for 2050 called the "Sustainability Challenge," and each of its "Key Sustainability Issues (Materiality) Goals," which are set to be achieved within the period of the Medium-term Management Plan 2026.

Medium-term

(2.1.1) From (years)

1

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

For the "Promotion of Sustainability Management" as set forth in the previous Medium-term Management Plan 2020, Sojitz will strive to further incorporate the perspective of sustainability in management and more deeply merge its businesses with solutions to environmental and social issues. In Medium-term Management Plan 2026 which spans FY2024 to FY2026, we will continue to reflect the concept of sustainability in our strategies, strengthen businesses that anticipate a decarbonized and recycling-oriented society, and build on our infrastructure-based businesses and services that are indispensable during the transition towards such a society, in addition to expanding our efforts to respect human rights on an ongoing basis. To achieve the goals set forth in the "Sustainability Challenge," we have set "Sustainability Goals" for each Key Sustainability Issue (materiality) to achieve within the period of the Medium-term Management Plan 2026 (for 3 years). Each goal is set to strategically increase sustainability through the promotion of various businesses and initiatives.

Long-term

(2.1.1) From (years)

3

(2.1.2) Is your long-term time horizon open ended?

Select from:

☑ No

(2.1.3) To (years)

30

(2.1.4) How this time horizon is linked to strategic and/or financial planning

Sojitz Group sees more than 3 years to 2050 as its long-term target period, and as a measure aimed at achieving decarbonization, Sojitz has set targets of reducing emissions 60% by 2030, achieving net-zero emissions by 2050, zero thermal coal interests by 2030 and zero coking coal interests by 2050. In order to continue to "create value and prosperity," as set forth in its corporate statement, Sojitz has established a long-term vision for 2050 called the "Sustainability Challenge." This vision was formed based on the Paris Agreement's call for countries to set targets for 2050 to realize a decarbonized society, as well as the global issues addressed in sustainable development goals (SDGs). Sustainability Challenge: 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.
[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: ☑ Yes	*Select from:* ☑ Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: ☑ Yes	*Select from:* ☑ Both risks and opportunities	*Select from:* ☑ Yes

[Fixed row]

(2.2.2) Provide details of your organization's process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

☑ Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Dependencies

☑ Impacts

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Partial

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

☑ More than once a year

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

☑ Circulytics

☑ LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD

☑ TNFD – Taskforce on Nature-related Financial Disclosures

Enterprise Risk Management

☑ Enterprise Risk Management

☑ Internal company methods

☑ Risk models

☑ Stress tests

International methodologies and standards

☑ ISO 14001 Environmental Management Standard

☑ Life Cycle Assessment

Databases

☑ Nation-specific databases, tools, or standards

☑ Regional government databases

Other

☑ Scenario analysis

☑ Desk-based research

☑ External consultants

☑ Materiality assessment

☑ Internal company methods

☑ Partner and stakeholder consultation/analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Drought

☑ Flood (coastal, fluvial, pluvial, ground water)

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

Policy

☑ Carbon pricing mechanisms

☑ Changes to international law and bilateral agreements

☑ Changes to national legislation

☑ Increased difficulty in obtaining operations permits

Market

☑ Availability and/or increased cost of certified sustainable material

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

☑ Uncertainty in the market signals

Reputation

☑ Impact on human health

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

Technology

☑ Dependency on water-intensive energy sources

☑ Transition to lower emissions technology and products

☑ Transition to water intensive, low carbon energy sources

☑ Unsuccessful investment in new technologies

Liability

☑ Exposure to litigation

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Customers

☑ Employees

☑ Investors

☑ Suppliers

☑ Regulators

☑ Local communities

☑ Indigenous peoples

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

☑ No

(2.2.2.16) Further details of process

Sojitz Corporation engages in scenario analyses to estimate risks and impacts on the company. Utilizing Wood Mackenzie's analyses based on the IPCC 1.5-degree scenario and the International Energy Agency's World Energy Outlook scenarios for 2050, the company identifies, evaluates, and manages climate-related risks at both company-wide and facility levels. Annually, Sojitz consults with stakeholders, including investors, NGOs, and academics, to recognize future social trends and identify climate change as a risk that can impact business divisions and facilities. The company employs Wood Mackenzie's scenarios to forecast demand, pricing, and asset valuation. Consultants assist in identifying sectors with high CO2 emissions, evaluating where emissions are highest in the supply chain, and exploring alternatives. Within the 3-year medium-term management plan, Sojitz identified the power generation sector as a significant emitter and began quantifying risks. The company plans to extend risk quantification to other sectors in the plan's final year. Scenario analyses are conducted multiple times yearly, assessing transition risks in Q1, physical risks in Q2, and qualitative risks in Q3. For long-term risk assessment post-2030, Sojitz bases evaluations on scenario analysis outcomes and monitors the progress of divestment from natural resource interests to meet reduction targets. Stress tolerance analyses of the thermal power generation business and coal interests are conducted with reference to IEA scenarios, and physical risks like water shortages are assessed using WRI's Aqueduct tools. Sojitz analyzes transition risks such as rising carbon prices on power generation businesses and market shrinkage on coal interests up to 2050. Physical risks like water shortages are surveyed due to their potential impact on global operations. Risks identified are incorporated into the annual risk management policy and managed via a PDCA process. The Sustainability Committee deliberates and reports responses to the Management Committee and Board of Directors. New investment projects are scrutinized for sustainability before approval. Scenarios confirm limited financial impact on power plants due to carbon prices and demand changes, while some coal assets may deteriorate under a 1.5-degree scenario. Physical risks such as floods are assessed using Aqueduct, with significant flood risk identified at 35 sites, mainly in Southeast Asia, with potential financial impacts of JPY 30 billion (as of FY2023).

Row 3

(2.2.2.1) Environmental issue

Select all that apply

☑ Forests

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

☑ Risks

☑ Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.2.2.4) Coverage

Select from:

☑ Full

(2.2.2.5) Supplier tiers covered

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

☑ Tier 4+ suppliers

(2.2.2.7) Type of assessment

Select from:

☑ Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

☑ Annually

(2.2.2.9) Time horizons covered

Select all that apply

☑ Short-term

☑ Medium-term

☑ Long-term

(2.2.2.10) Integration of risk management process

Select from:

☑ A specific environmental risk management process

(2.2.2.11) Location-specificity used

Select all that apply

☑ Site-specific

☑ Local

☑ Sub-national

☑ National

(2.2.2.12) Tools and methods used

Enterprise Risk Management

☑ Internal company methods

☑ Risk models

International methodologies and standards

☑ ISO 14001 Environmental Management Standard

Other

☑ External consultants

☑ Jurisdictional/landscape assessment

☑ Materiality assessment

(2.2.2.13) Risk types and criteria considered

Acute physical

☑ Wildfires

Chronic physical

☑ Changing precipitation patterns and types (rain, hail, snow/ice)

☑ Changing temperature (air, freshwater, marine water)

☑ Increased ecosystem vulnerability

☑ Seasonal supply variability/interannual variability

☑ Temperature variability

Policy

☑ Changes to international law and bilateral agreements

☑ Changes to national legislation

☑ Poor enforcement of environmental regulation

Market

☑ Availability and/or increased cost of certified sustainable material

☑ Availability and/or increased cost of raw materials

☑ Changing customer behavior

☑ Uncertainty about commodity origin and/or legality

Reputation

☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback

☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)

Liability

☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

☑ NGOs

☑ Regulators

☑ Customers
☑ Employees
☑ Investors
☑ Suppliers
☑ Local communities
☑ Indigenous peoples

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:
☑ No

(2.2.2.16) Further details of process

The Sojitz Group established its Wood Procurement Policy in September 2015 in order to procure wood responsibly. Aimed at putting our corporate philosophy into practice, this policy is based on the following three main pillars in accordance with the Sojitz Group CSR Action Guidelines for Supply Chains. 1.Legality We will not handle wood obtained through illegal logging. 2.Environmental Consideration We will not handle wood obtained through logging methods which are detrimental to high conservation value forests, and we aim to build a supply chain which allows for no deforestation. 3.Social Consideration In view of logging's potential to adversely impact human rights, we will seek to mitigate any negative impact associated with wood procurement. [Scope] This policy covers all roundwood; sawnwood and wood-based panels; paper manufacturing materials such as wood chips, particles, and pulp; paper products; and woody biomass handled by Sojitz and its consolidated subsidiaries (hereafter, "wood.") [Implementation Method] Of the approximately 1,500 wood-related suppliers, we select and survey at least 80% of the total purchase amount as our priority survey target, taking into consideration factors such as the risk of the country of origin, the size of the purchase amount, and conformity with our policy. In FY2023, about 59% of the wood subject to our priority survey was imported timber and about 41% domestically produced timber. [Case Studies] Sojitz and its Group companies (Sojitz Building Materials Corporation and Sojitz Kyushu Corporation) responded to a questionnaire based on the forest products checklist prepared by WWF, verified evidentiary documents, and conducted on-site surveys. [Approach to Imported Timber] With regard to imported timber, issues raised include illegal logging, human rights violations against local residents, and threats to biodiversity. Our Group works with each of our suppliers to verify and improve legality and environmental and social considerations at logging sites. 1. We conduct annual surveys and publish the results. 2. We do not handle wood that has insufficient traceability. 3. We conduct local due diligence to increase procurement of environmentally and socially responsible wood. [Approach to Domestically Produced Materials] We recognize that domestically produced wood presents different challenges than imported wood, such as occupational safety at logging sites. We study appropriate measures to promote the cyclical use of forest resources in Japan through consultations with our stakeholders. [Methods and Tools Used] 1. In-house methods: We conduct Sojitz Group Wood Procurement Policy surveys among suppliers to ensure forest management sustainability, environmental sustainability, and social sustainability. 2. External consultants: WWF: Ensures proper traceability and forest management. SGS: Conducts local detailed wood surveys. [Relationship between Issues Considered and Our Company Policy] - Legality: Availability and regulation of forest risk commodities. - Environmental considerations: Impact of business activities on ecosystems and habitats, and climate change. - Social considerations: Corruption, fraud, and social impact. Through these policies and implementation methods, the Sojitz Group aims to maximize its corporate and social value by earning the trust of society, including customers, investors, local communities, NGOs, and regulatory agencies.
[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

(2.2.7.1) Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed

Select from:

☑ Yes

(2.2.7.2) Description of how interconnections are assessed

Sojitz assesses environmental dependence and impacts through materiality analysis and identifies risks and opportunities through a risk management framework. Because environmental issues such as climate change and biodiversity loss have direct and indirect impacts on our business operations, we conduct scenario analysis and integrate these interactions into our financial and business strategies to build and enhance a sustainable business model.
[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

☑ Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(2.3.3) Types of priority locations identified

Locations with substantive dependencies, impacts, risks, and/or opportunities

☑ Other location with substantive nature-related dependencies, impacts, risks, and/or opportunities, please specify **:**Identification is based on the Corruption Perceptions Index published by Transparency International and the Timber Risk Score in the Timber Legality Risk Assessment of Preferred by Nature.

(2.3.4) Description of process to identify priority locations

Identification is based on the Corruption Perceptions Index published by Transparency International and the Timber Risk Score in the Timber Legality Risk Assessment of Preferred by Nature.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

☑ No, we do not have a list/geospatial map of priority locations

[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Asset value

(2.4.3) Change to indicator

Select from:

☑ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

100000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Sojitz Group develops business in a wide variety of fields, and we believe that the main impacts of climate change on our business involve the following physical risk and two transition risks: 1) Rising carbon tax (transition risk) 2) Market shrinkage (transition risk) 3) Water risk (physical risk) In response to these risks, we conduct scenario analysis. Scenario Analysis (Transition Risk) 1) May be impacted by rising carbon prices: Power Generation 2) May be impacted by market shrinkage: Coal Interests Business As one method for confirming climate change risk in terms of transition risk, we conducted scenario analysis of our coal interest business and power generation business, which are important businesses in our portfolio, and which have a large risk of being impacted by environmental regulations. As a result of scenario analysis, we have confirmed that there is a limited financial impact at selected power plants affected by rising carbon prices and fluctuating demand. In terms of our coal interests, we have confirmed the possibility that some assets will deteriorate due to the impacts of rising production costs if the 1.5-degree scenario is realized. The figures shown in the "Absolute increase/decrease figure" represent the one-time gain/loss units in Sojitz's financial statements (status of each major business) for the year ended March 31, 2024.

Opportunities

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Other, please specify :ROIC/CROIC

(2.4.3) Change to indicator

Select from:

☑ % decrease

(2.4.4) % change to indicator

Select from:

☑ 1-10

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

As for opportunities, Sojitz Group will contribute to the realization of a low-carbon society in the next 10 years and a decarbonized society in the future by expanding its CO2 emission-free renewable energy businesses and biomass-derived fuel and raw material business, building and expanding low-carbon businesses such as its natural gas/LNG business and recycling business, and reducing CO2 emissions generated throughout our business activities. We measure the negative financial impact of new investment and loan projects by the rate of decline in profitability, rather than the absolute loss amount. For this reason, Sojitz considers the impact of losses on new investments and loans to be significant based on a criteria of a return on invested capital (ROIC/CROIC, see note below) of less than 5% as a result of significant losses related to climate change or a decline in earnings due to a shrinking market associated with the transition to a decarbonized society. We are strengthening our monitoring of these risks. Note: ROIC (return on invested capital): A financial indicator that shows how much profit a company has generated on capital invested into a business. ROIC Calculation method: After-tax operating income of the investment target divided by invested capital. CROIC (cash return on capital invested): An index that looks at the efficiency of cash flow in relation to the capital invested by a company in a business. CROIC Calculation method: Core operating cash flow divided by invested capital. *Core operating cash flow: Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes.*

Risks

(2.4.1) Type of definition

Select all that apply

☑ Qualitative

☑ Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

☑ Asset value

(2.4.3) Change to indicator

Select from:

☑ Absolute decrease

(2.4.5) Absolute increase/ decrease figure

100000000

(2.4.6) Metrics considered in definition

Select all that apply

☑ Frequency of effect occurring

☑ Time horizon over which the effect occurs

☑ Likelihood of effect occurring

(2.4.7) Application of definition

Scenario Analysis (Physical Risk) 3）May be impacted by river and coastal flood from the standpoint of physical risks, we have identified possible water-related risks to our businesses from climate change, including flood damages, water shortages, and future changes to precipitation levels. As a general trading company, Sojitz operates business sites and supply chains in over 100 countries around the world. Water-related physical risks could therefore cause major impacts on business activities. We are focusing on acute physical risks such as floods, which are of great concern to investors. We utilize the Aqueduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) in order to check river and coastal flood risks for factories and other sites of Sojitz Group business. As a result, we have identified high river and coastal flood risk at 35 sites, primarily in Southeast Asia. In the event a physical risk is actualized, the amount of Sojitz Group assets with the possible financial impacts are estimated to be JPY 30 billion yen. The figures shown in the "Absolute increase/decrease figure" represent the one-time gain/loss units in Sojitz's financial statements (status of each major business) for the year ended March 31, 2024..
[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Forests

(3.1.1) Environmental risks identified

Select from:

☑ Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

☑ No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

☑ Not an immediate strategic priority

(3.1.3) Please explain

-
[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:
☑ Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy
☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:
☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply
☑ Australia

(3.1.1.9) Organization-specific description of risk

Among climate change risks, the impact of transition risk (market shrinkage) is large, and in our portfolio, there are important coal interests that we expect will be directly

or indirectly affected by environmental regulations related to carbon dioxide emissions. Our company holds about millions ton of thermal coal and coking coal interests, mainly in Australia (such as the Gregory Crinum coking coal mine), if all of the coal interests (thermal coal and coking coal) currently held by Sojitz Group were burned, it would generate approximately 200 million tons of CO2. We assume that in the future, climate change will cause our coal interests to be subject to environmental tax/carbon tax/emissions trading, increase rehabilitation costs, facilitate the spread of renewable energy and energy-saving technologies, alter countries' energy mixes and government policies, make renewable energy more price competitive, with lower financial and insurance cost. Countries around the world may introduce more stringent environmental taxes and emissions trading schemes in line with international agreements. Of Sojitz's 7 business units, one owns interests and conducts trading business in fossil fuels (coal), and the scale of the holdings and trading business of this unit may be affected in the long term.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

1. Financial impact: Strengthening environmental regulations and market shrinkage could reduce the value of our coal interests and expose our assets of JPY 47.5 billion (based on book value for the year ended March 2024) to impairment risk. In addition, if the value of our coal interests declines significantly, we would have to record an impairment loss, which would directly affect our financial statements. 2. Impact on business performance: A decline in coal demand and the spread of renewable energy could result in lower coal prices and lower earnings in the trading business. In addition, environmental and carbon taxes and the need to purchase emission credits would increase operating costs. 3. Impact on cash flow (CF): Strengthening environmental regulations would increase cash outflows through

environmental taxes and the purchase of emission credits. Less investment in coal-related businesses and more investment in renewable energy and energy-saving technologies will require a review of cash flow allocation and long-term financing plans.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

47500000000

(3.1.1.25) Explanation of financial effect figure

If demand for coal-fired power and coal prices continue to decline due to regulations and social changes related to climate change, the value of our coal mines may decline over the medium to long term, assets may be impaired or stranded, and trading income may decline. We have been conducting scenario analysis since FY2018. In May 2023, Sojitz analyzed the value of its assets based on estimated price forecasts and demand using the 1.5-degree scenario published in August 2022 by the world authority on energy research, Wood Mackenzie. As a result, demand of thermal coal is expected to see a 38% decrease in demand in 2040 compared to 2023, while coking coal demand is expected to see a 41% decrease in demand in 2050 compared to 2023. Prices are expected to fall as demand declines. In addition, labor and other production costs are on an upward trend, which may affect asset values. If we were to move away from our medium- to long-term efforts to achieve the 1.5-degree target and all of the coal interests we hold at present were to immediately become stranded assets, the estimated losses would be JPY 47.5 billion (thermal coal: JPY 3.9 billion, coking coal: JPY 43.6 billion, based on book value for the year ended March 2024). On the other hand, if we achieve our goals of withdrawing from the thermal coal business by 2030 and coking coal business by 2050 based on the 1.5-degree scenario, we estimate that there would be no financial impact from stranded assets and no projected losses (JPY 0).

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop a climate transition plan

(3.1.1.27) Cost of response to risk

6032472939

(3.1.1.28) Explanation of cost calculation

We have continued to reduce our thermal coal interests. We consider Selling, General and Administrative expenses to be JPY 6,032,472,939, which includes labor costs for Coal related business employees and supply costs associated with the sale of thermal coal interests. Sojitz Group's total Selling, General and Administrative expenses: JPY241.5 billion Number of Sojitz Group employees:22,819 Number of Coal related business employees: 570 JPY241.5 billion570 employees22,819 employees JPY6,032,472,939

(3.1.1.29) Description of response

Situation： As global warming garners more attention worldwide and the trend towards carbon neutrality accelerates, there is a need to shift away from simply using and supplying energy to doing so in an ecologically friendly manner. Amidst this transition, Sojitz faces the challenge of reducing its coal assets which are liable to be impacted by this shift. Task: Initially, Sojitz established and announced a policy and strategy to reduce its thermal coal interests (approximately JPY 50 billion as of March 2019) to half or less by 2030, and not to acquire any new thermal coal interests in principle but was faced with the issue of needing to respond to decarbonization trends in a more timely fashion. Action: To this end, Sojitz announced its decarbonization policy on March 5th, 2021, and set forth a strategic change to accelerate its reduction of thermal coal interests from half or less by 2030 to zero by 2030. Sojitz also held stakeholder dialogues to listen to outside opinions, conducted case studies in accordance with this policy, and also conducted scenario analysis. As a result of this analysis, it was determined that there is concern that some coal assets held by the company may deteriorate. Result: In line with our policy to reduce thermal coal assets, we have been withdrawing from thermal coal interests in Australia and Indonesia since 2020. Regarding our goal of "half or less by 2025," we have already achieved a 90% reduction in the book value of our equity assets compared to FY2018, and are working to achieve our goal of "zero by 2030" ahead of schedule. *In March 2020, we sold a 10% interest in an Australian thermal coal mine to a wholly-owned subsidiary of project partner Yancoal Australia Ltd. for AUD 300 million. In August 2021, the Minerva Mine was closed, etc.*

Forests

(3.1.1.1) Risk identifier

Select from:

☑ Risk1

(3.1.1.2) Commodity

Select all that apply

☑ Timber products

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Changes to national legislation

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Downstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Japan

(3.1.1.9) Organization-specific description of risk

In the event of future revisions or strengthening of domestic laws in Japan, where the Sojitz Group mainly sells wood products, there is a risk that the Sojitz Group's sales volume will decrease or costs will increase, depending on the content of such revisions or strengthening.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased revenues due to reduced demand for products and services

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unknown

(3.1.1.14) Magnitude

Select from:

☑ Unknown

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

There is a risk that the Sojitz Group's sales and profits will decline or expenses will increase in the future, which may result in a decrease in cash flow.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with regulators/policy makers

(3.1.1.27) Cost of response to risk

250000000

(3.1.1.28) Explanation of cost calculation

The annual cost of the task force personnel (20 people) is estimated based on the annual average salary disclosed by Sojitz (12,471,658 yen per person in FY2023).

(3.1.1.29) Description of response

The in-house task force specializing in wood confirms the development and modification of regulations.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Policy

☑ Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Oman

☑ Japan

☑ Mexico

☑ Viet Nam

☑ Saudi Arabia

☑ United States of America

(3.1.1.9) Organization-specific description of risk

Among climate change risks, the impact of transition risks (rising carbon prices) is large, and in our portfolio, there are important power generation businesses. Sojitz is engaged in power generation businesses in the U.S. (including Sojitz Birdsboro), Japan, Vietnam, Oman, Saudi Arabia, and Mexico. Total power generation capacity for power businesses owned by the company is approximately 1,500MW (includes company-owned assets as of FY2023 that have begun operations).Of those, the total power generation capacity of the fossil fuel power generation business is approximately 1,200 MW. We assume that in the future, climate change will cause our power generation businesses to be subject to environmental tax/carbon tax/emissions trading, facilitate the spread of renewable energy and energy-saving technologies, alter countries' energy mixes and government policies, make renewable energy more price competitive, with lower financial and insurance cost. Sojitz's power generation business is an area that is susceptible to being impacted by carbon dioxide regulations. If the scope of environmental taxes expands due to carbon dioxide regulations and Sojitz must procure emission reduction credits on the market, Sojitz's costs will increase according to the carbon dioxide emissions of its offices, factories, and power generation facilities. These elevated costs may impact our profits.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Likely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

1. Impact on financial situation: The introduction and expansion of environmental and carbon taxes will increase the cost of carbon dioxide emissions. This may lead to higher power generation costs and lower profit margins. The cost of obtaining credits in the emissions trading market may also increase. 2. Impact on business performance: As the price competitiveness of renewable energy increases, the competitiveness of traditional fossil fuel-based power generation businesses may decrease. This is expected to result in a decline in market share and lower sales. The cost of adapting to changes in each country's energy mix and policies will increase. This includes the implementation of technology and operational costs for regulatory compliance. 3. Impact on cash flow (CF): Payments of environmental and carbon taxes, as well as the purchase of emission credits, may increase working capital and squeeze cash flow. Investing in renewable energy and energy-saving technologies may extend the payback period. This has the risk of reducing short-term cash flows.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.23) Anticipated financial effect figure in the long-term – minimum (currency)

0

(3.1.1.24) Anticipated financial effect figure in the long-term – maximum (currency)

610260000

(3.1.1.25) Explanation of financial effect figure

Sojitz's profits may be impacted if the scope of businesses subject to environmental tax expands, or if Sojitz is required to purchase emissions credits from the market. Our Group's total carbon dioxide emissions for FY2023 came to 780,000 tons (total of Scope 1 and Scope 2). In terms of the breakdown by country, 40% of emissions were in developed countries, while 60% of emissions were based in developing countries. In the event that we are required to purchase carbon credits for our emissions, using the unit price for carbon credits in 2030 given by the World Energy Outlook's NZE Scenario, costs could rise to JPY610,260,000 at USD 140/ton-CO2e. (780,000t-CO2USD 140exchange rate145.3) However, if the external environment, including future technological innovation, results in no expansion of businesses subject to environmental tax and no need to purchase emission credits, the financial impact is assessed as JPY 0.

(3.1.1.26) Primary response to risk

Compliance, monitoring and targets

☑ Improve monitoring of direct operations

(3.1.1.27) Cost of response to risk

211665717

(3.1.1.28) Explanation of cost calculation

We consider Selling, General and Administrative expenses costs to be JPY 211,665,717, which includes labor costs for business department employees and administrative costs associated with confirming Sojitz Group's power generation intensity levels fall below those specified in the IEA 1.5-degree scenario. Sojitz Group's total Selling, General and Administrative expenses: JPY241.5 billion Number of Sojitz Group employees:22,819 Total number of employees for power generation businesses: 20 employees JPY241.5 billion 20 employees22,819 employees JPY 211,665,717

(3.1.1.29) Description of response

Situation: Sojitz is engaged in the power generation business as one of its core businesses. Sojitz has changed strategy of power generation to meet the needs of the times. For example, Sojitz was previously engaged in a coal-fired power business in China, but the company has since withdrawn from all coal-fired power businesses following recent calls on corporations to take on climate change initiatives to reduce CO2 and this decision was made after considering the sustainability of the businesses. No current coal-fired power projects are held, nor future projects planned. Task: We recognize the impact of gas-fired power generation on climate change and will simultaneously strive to support the transition towards decarbonization by providing a stable supply of energy. Sojitz currently engages in gas-fired power generation but we believe that scenario analysis is an essential tool in establishing our climate change strategy to ensure the sustainability of our business, and we spend money to conduct scenario analysis every year. Action: According to Sojitz's decarbonization policy, we strive to control CO2 emission efficiency for gas-fired power plants to below 1.5-degree scenario levels in our power generation businesses. Based on this policy, we are able to control risk by maintaining CO2 emissions efficiency (CO2/kWh) at Group's thermal power plants in Mexico, the U.S., Vietnam, Oman and Saudi Arabia below the intensity of the IEA 1.5-degree scenario. Sojitz Group confirms each year to ensure power generation intensity levels. Result: Based on the results of scenario analysis, we have confirmed there would be a limited financial impact on power plants from fluctuations in carbon prices and demand. As a result, we confirmed the financial soundness of existing gas-fired power generation projects, and by making this a point of confirmation for any new projects, we are able to avoid the risk of carbon tax increases.

Climate change

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.3) Risk types and primary environmental risk driver

Acute physical

☑ Flooding (coastal, fluvial, pluvial, groundwater)

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ Thailand

☑ Viet Nam

(3.1.1.9) Organization-specific description of risk

From the perspective of physical risk, our business may be affected by water risks, such as water shortages, flood damage, and future precipitation changes due to climate change. As a general trading company, we have business bases and supply chains in more than 100 countries around the world, and we believe that our corporate activities could be significantly affected by such risks. We are focusing on acute physical risks such as floods, which are of great concern to investors. We utilize the Aqueduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) in order to check river and coastal flood risks for factories and other sites of Sojitz Group business. As a result, we have identified high river and coastal flood risk at 35 sites, primarily in Southeast Asia. We use Aqueduct, a tool for analyzing water risk developed by the World Resources Institute, to conduct annual assessments of water scarcity. In FY2023, our group had 18 business sites located in regions categorized as having "Extremely High" or "High" water stress, with a total water withdrawal of 209,000 m³.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Increased indirect [operating] costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Medium-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unlikely

(3.1.1.14) Magnitude

Select from:

☑ High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

1. Impact on financial situation: Assets worth JPY 30 billion may be affected by damage to facilities and inventories caused by flooding and the temporary closure of business sites. We would also incur the cost of repairing and restoring damaged facilities and equipment, which would place a direct burden on our financial situation. In addition, higher flood risks are expected to increase insurance premiums, which would increase costs in the long term. 2. Impact on business performance: Production

stops and delays: Flooding could lead to temporary closure of business sites and production stoppages, disrupting supply chains and causing delays in product supply and reduced production. We would expect sales to decline as a result. In addition, delays in supply and deterioration in quality may undermine customer trust and adversely affect long-term business relationships. If flood risks are not adequately addressed, the company will become less competitive against competitors and we risk losing market share. 3. Impact on cash flow (CF): The implementation of preventive and emergency response measures to address flood risks will require an increase in working capital. As long-term countermeasures against flood risks, infrastructure strengthening and new capital investments will be required, which will affect cash flow. When insurance benefits are received for flood damage, temporary cash flow improvement is expected, but it often takes time to receive insurance benefits, and there is concern that short-term cash flow will be squeezed.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ Yes

(3.1.1.21) Anticipated financial effect figure in the medium-term – minimum (currency)

0

(3.1.1.22) Anticipated financial effect figure in the medium-term – maximum (currency)

30000000000

(3.1.1.25) Explanation of financial effect figure

Maximum losses would be incurred if assets are directly damaged through flood-related damages. Sojitz holds assets such as factories and offices around the world. Based on the Aqueduct analysis tool, we have calculated that damages to company assets from flooding could amount to JPY 30 billion (21 sites with JPY 21 billion in fixed assets in the "Extremely High" category and 14 sites with JPY 9 billion in fixed assets in the "High" category as of end of March 2024). However, if no flood disasters occur at business sites, the financial impact is assessed at JPY 0.

(3.1.1.26) Primary response to risk

Policies and plans

☑ Develop flood emergency plans

(3.1.1.27) Cost of response to risk

105832859

(3.1.1.28) Explanation of cost calculation

From the perspective of physical risks, we estimate that Selling, General and Administrative expenses for Group companies with high flood risks, including personnel costs associated with formulating action plans to mitigate risk, will be JPY 105,832,859. Sojitz Group's total Selling, General and Administrative expenses: JPY241.5 billion Number of Sojitz Group employees:22,819 Number of employees involved in supply-chain risk management and BCP formulation:10 employees JPY241.5billion 10 employees22,819 employeesJPY 105,832,859

(3.1.1.29) Description of response

Various physical risks have become apparent worldwide, such as water shortages and flood damage due to climate change, and we have changed our strategy to build a company-wide system to address risk management, rather than doing so on an individual project basis. In order to understand the situation, we first confirmed the system for dealing with flood damage, etc., based on the instructions of external consultants and the Aqueduct risk management tool. Situation: With regards to physical risks such as flood damage, we have been confirming the risk status through environmental due diligence and other means during deliberations for each project, but recently, physical risks such as flood damage due to climate change have become more apparent worldwide. An actual incident occurred in which a Group company's fertilizer plant in Thailand suffered flood damage. Action： In order to clarify the Group-wide response to these risks, we utilize the Aqueduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) provided by the World Resources Institute in order to check river and coastal flood risks for factories and other sites of Sojitz Group business. Result： As a result of risk analysis, we have identified high river and coastal flood risk primarily in Southeast Asia. Using the Aqueduct analysis tool, we have calculated that the amount of Sojitz Group assets with possible damages in the event of a flood could amount to JPY 30 billion (including 21 sites with JPY 21 billion in fixed assets in the "Extremely High" category and 14 sites with JPY 9 billion in fixed assets in the "High" category as of end of March 2024). For one group company in Vietnam that has been identified as a serious risk, the development of a Business Continuity Plan (BCP) will enable a quick response in the event of flooding and minimize damage..

Forests

(3.1.1.1) Risk identifier

Select from:

☑ Risk2

(3.1.1.2) Commodity

Select all that apply

☑ Timber products

(3.1.1.3) Risk types and primary environmental risk driver

Reputation

☑ Increased partner and stakeholder concern or negative partner and stakeholder feedback

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Malaysia

☑ Thailand

☑ Viet Nam

☑ Indonesia

☑ Papua New Guinea

(3.1.1.9) Organization-specific description of risk

There is a risk that the sales volume of wood products procured by the Sojitz Group will decline if stakeholders such as NGOs point out or denounce problems.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Brand damage

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unknown

(3.1.1.14) Magnitude

Select from:

☑ Unknown

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

There is a risk that the Sojitz Group's sales and profits will decline or expenses will increase in the future, which may result in a decrease in cash flow.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with NGOs/special interest groups

(3.1.1.27) Cost of response to risk

250000000

(3.1.1.28) Explanation of cost calculation

The annual cost of the task force personnel (20 people) is estimated based on the annual average salary disclosed by Sojitz (12,471,658 yen per person in FY2023).

(3.1.1.29) Description of response

The in-house task force specializing in wood identifies trends in NGOs, understands the content of reports issued by NGOs, and communicates with NGOs when requested.

Forests

(3.1.1.1) Risk identifier

Select from:

☑ Risk3

(3.1.1.2) Commodity

Select all that apply

☑ Timber products

(3.1.1.3) Risk types and primary environmental risk driver

Market

☑ Uncertainty about commodity origin and/or legality

(3.1.1.4) Value chain stage where the risk occurs

Select from:

☑ Upstream value chain

(3.1.1.6) Country/area where the risk occurs

Select all that apply

☑ China

☑ Malaysia

☑ Thailand

☑ Viet Nam

☑ Indonesia

☑ Papua New Guinea

(3.1.1.9) Organization-specific description of risk

There is a risk of uncertainty regarding the wood products procured by the Sojitz Group if the accurate determination of the origin or legality of the wood products the Sojitz Group surveys for its suppliers is prevented by incorrect or misleading information.

(3.1.1.11) Primary financial effect of the risk

Select from:

☑ Disruption in upstream value chain

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

☑ Unknown

(3.1.1.14) Magnitude

Select from:

☑ Unknown

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

There is a risk that the Sojitz Group's sales and profits will decline or expenses will increase in the future, which may result in a decrease in cash flow.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

☑ No

(3.1.1.26) Primary response to risk

Engagement

☑ Engage with suppliers

(3.1.1.27) Cost of response to risk

250000000

(3.1.1.28) Explanation of cost calculation

The annual cost of the task force personnel (20 people) is estimated based on the annual average salary disclosed by Sojitz (12,471,658 yen per person in FY2023).

(3.1.1.29) Description of response

The in-house task force specializing in wood conducts surveys as indicated in the Wood Procurement Policy.
[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

☑ Assets

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

47500000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

30000000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.7) Explanation of financial figures

Sojitz's total assets for the fiscal year ended March 2024: JPY 2,886.9 billion Expected maximum loss if we were to move away from our medium- to long-term efforts to achieve the 1.5-degree target and all of the coal interests we hold at present were to immediately become stranded assets (transition risk): JPY 47.5 billion Amount of damage to corporate assets due to flooding (physical risk): JPY 30 billion Ratio (transition risk): 475 / 28,869 100 1.6% Ratio (physical risk): 300 / 28,869 100 1.0%

Forests

(3.1.2.1) Financial metric

Select from:

☑ Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

267800000000

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

267800000000

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

☑ 1-10%

(3.1.2.7) Explanation of financial figures

Both transition risk and physical risk involve the risk of a decline in sales volume, but as the impact amount is difficult to calculate, the rate is set at 1-10%.
[Add row]

(3.5) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Select from:

☑ Yes

(3.5.1) Select the carbon pricing regulation(s) which impact your operations.

Select all that apply

☑ Japan carbon tax

(3.5.3) Complete the following table for each of the tax systems you are regulated by.

Japan carbon tax

(3.5.3.1) Period start date

03/31/2023

(3.5.3.2) Period end date

03/31/2024

(3.5.3.3) % of total Scope 1 emissions covered by tax

7

(3.5.3.4) Total cost of tax paid

11045291

(3.5.3.5) Comment

-
[Fixed row]

(3.5.4) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

In order to accelerate the achievement of our own Scope 2 target of zero carbon emissions by 2030, we have set our Internal Carbon Price in reference to the social cost of carbon and Japanese Carbon Tax, and in FY2023, we established an internal policy to promote decarbonization. By applying this policy from the current Medium-term Management Plan 2026, each sales organization will accelerate the reduction of Scope 2 mentioned above.

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized
Forests	*Select from:* ☑ Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.2) Commodity

Select all that apply

☑ Not applicable

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of renewable energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Chile

☑ Japan

☑ Mexico

☑ United States of America

☑ Ireland

☑ Australia

(3.6.1.8) Organization specific description

In December 2015, the Paris Agreement was adopted at COP21, setting a goal of limiting the increase in global average temperature to less than 2 degrees Celsius above pre-industrial levels and limiting the current increase to 1.5 degrees Celsius. In response to international decarbonization and low-carbon trends, governments of various countries are tightening CO2-related regulations, and companies are facing calls to use renewable energy. Therefore, companies will likely take steps to increase the ratio of renewable energy that they use. This will lead to more business opportunities for Sojitz's renewable energy business. Sojitz has accumulated know-how over many years outside of Japan, starting with participation in the Betzweiler solar power generation project in Germany in 2009 and the Mixdolf project in 2011. In addition to Sojitz's 11 solar operating plants in all over the world (8 in Japan and 3 overseas) and 2 onshore wind power operating plants in Europe/US, we are also involved in a biomass power project in Japan and recently a new large scale solar photovoltaic project in Australia. Sojitz is using this expertise to increase the number of renewable energy-related businesses we operate around the world. In recent years, our company has continued to expand this segment laterally, growing to include not only solar/onshore wind power, but other businesses, such as an offshore wind power business.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

1. Impact on financial situation: The renewable energy business is expected to generate stable profits. In particular, solar and wind power generation projects require large initial investments, but can be operated at relatively low cost once operational, enabling stable cash flow generation. As a result, Sojitz's financial situation is expected to improve over the medium to long term. 2. Impact on business performance: The global renewable energy market is growing and is expected to contribute

to Sojitz's business expansion. In particular, by leveraging policy support such as government subsidies and tax incentives, these projects can be highly profitable. This will improve Sojitz's business performance and contribute to increasing shareholder value. 3. Impact on cash flow (CF): Renewable energy businesses can secure stable income through long-term power purchase agreements (PPAs). This will stabilize Sojitz's cash flow and allow it to allocate funds for reinvestment in other businesses and development of new projects.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

800000000

(3.6.1.23) Explanation of financial effect figures

Starting with our participation in the Betzweiler solar power generation project in Germany in 2009 and the Mixdolf project in 2011, we have been leveraging the knowledge and expertise cultivated through the development of solar power generation projects in Japan in order to engage in renewable energy projects and contribute to environments thereby responding to the rapid decarbonization of the world. As demand for renewable energy is expected to increase in the future, sales are expected to rise as well. Financial impact The net profit of each renewable energy project company, including Sojitz Mirai Power companies, was JPY 0.8 billion in FY2023.

(3.6.1.24) Cost to realize opportunity

634997151

(3.6.1.25) Explanation of cost calculation

We consider Selling, General, and Administrative (SG&A) expenses to be JPY 634,997,151, which includes labor costs for renewable energy business teams as well as activity costs such as supply costs. Sojitz Group's total Selling, General and Administrative expenses: JPY241.5 billion Number of Sojitz Group employees:22,819 Number of renewable energy business department employees: 60 employees JPY241.5 billion60 employees22,819 employees JPY 634,997,151

(3.6.1.26) Strategy to realize opportunity

Situation: There is growing demand worldwide for a shift from thermal power generation to renewable energy. Sojitz will use this as an opportunity to accelerate its efforts in the renewable energy business, which includes not only solar power, but also onshore and offshore wind power. Task: In order to adapt to this situation, it is necessary to accumulate high-quality operating assets to strengthen our renewable energy business, and to accumulate know-how to promote the onshore and offshore wind power businesses in Japan and other countries. Action: Sojitz and ENEOS Corporation have started construction on a 204MW(DC: Direct Current) solar farm in

Australia, which will be one of the largest solar projects to be undertaken by Japanese companies. Sojitz and ENEOS first acquired 100% stake in the project company, Edenvale Solar Park Pty Ltd., from DPI Solar 3 Pte Ltd. via Sapphire Energy Pty Ltd., a joint venture holding company equally owned by Sojitz and ENEOS. Result: Construction on Edenvale Solar Park began in June 2021. The opening ceremony in September 2023 was held to celebrate reaching rated output at the solar farm. About 400,000 solar panels will generate enough renewable energy to power 60,000 homes, that's enough to power a city the size of Cairns. Sojitz also plans to reduce its Scope 1 and Scope 2 carbon emissions by supplying a portion of the energy produced through this solar farm to Gregory Crinum coking coal mine used for steelmaking, which is owned and operated by Sojitz in Queensland. Through this project, Sojitz strives to strengthen its renewable energy business and develop a foothold for accumulating quality business assets. Sojitz aims to not only develop projects in Australia moving forward, but also to provide a stable supply of renewable energy to Australian companies and Japanese companies conducting business in Australia, in order to contribute to the realization of a decarbonized society.

Forests

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp1

(3.6.1.2) Commodity

Select all that apply

☑ Timber products

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Markets

☑ Increased demand for certified and sustainable materials

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Downstream value chain

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Japan

(3.6.1.8) Organization specific description

The Sojitz Group established its the Wood Procurement Policy in 2015 based on its CSR Action Guidelines for Supply Chains, with the aim of handling 100% environmentally and socially friendly wood products by FY2025. Through this goal, we will enhance our market reputation, harness demand for certified wood, expand our trade, and build a robust supply chain that is risk-free. One example is Dolphin Coat Corporation, a joint venture between the Seihoku Group and Sojitz. This company manufactures and sells Dolphin Coat, coated plywood for softwood formwork, and its main customers are builders in Japan. Dolphin Coat features sustainable and environmentally and socially friendly domestic wood as its base material, and has been used in public facilities such as Tokyo Olympic and Paralympic venues. Although previously distributed as a forest certified product, it is now non-certified due to changes in its raw materials, so our goal is to re-secure certified raw materials for it.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Increased sales and profits due to rising demand and price premiums

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

1700000000

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

5000000000

(3.6.1.23) Explanation of financial effect figures

The Sojitz Group calculates annual purchases of wood products it handles with its maximum potential impact of 3% and minimum potential impact of 1%. We believe we can expect larger impact amounts in the future as we respond to anticipated opportunities.

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

No cost incurred

(3.6.1.26) Strategy to realize opportunity

Sojitz Group has been implementing the following measures since FY2021 with the aim of achieving 100% handling of environmentally and socially friendly wood products by 2025. 1. Expanding the volume of certified wood handled: We will expand handling of CoC (chain of custody) wood to promote the spread of forest certification. CoC wood is certified wood that has been properly managed during processing and distribution and is guaranteed not to be mixed with non-certified wood. 2. Encouraging suppliers to obtain certification: We encourage our suppliers to obtain forest and CoC certification such as FSC and PEFC. We encourage secondary and tertiary suppliers to obtain certification during annual wood procurement policy surveys, and clearly indicate this in our questionnaires and guidance documents. 3. Promoting the handling of environmentally friendly materials with the involvement of consumers: We will encourage the adoption of environmentally friendly materials by our domestic customers and promote the handling of such materials. By continuing these measures, we will raise awareness of environmentally and socially friendly wood products and create and expand demand for them. This will also further increase our Group's market recognition and lead to increased sales opportunities. These activities are part of our day-to-day sales activities so no special costs have been calculated.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Energy source

☑ Use of low-carbon energy sources

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Oman
☑ Japan
☑ Qatar
☑ Mexico
☑ Nigeria
☑ Viet Nam
☑ Indonesia
☑ Saudi Arabia
☑ United States of America

(3.6.1.8) Organization specific description

We recognize that natural gas and LNG impact climate change. The US has become a major supplier due to the shale gas revolution, with growing demand in China, India, and other emerging Asian countries. These nations are expected to promote natural gas and LNG to transition to a decarbonized society, as they emit less CO2 than coal or oil. Sojitz has a 50-year history in the LNG business, developing an integrated operation that includes gas field development, liquefaction, transport, and receiving. Our involvement in high-efficiency gas-fired power plants has helped us accumulate valuable technologies and operational experience. We can quickly arrange financing for projects by leveraging our global network. As demand for LNG-based power generation rises, we foresee more business opportunities. We have initiated gas-fired power generation projects in Japan, the US, Vietnam, Oman, Saudi Arabia, and Mexico. Additionally, we are developing LNG-to-power and natural

gas plants in Vietnam. Through these initiatives, Sojitz aims to promote the energy transition and contribute to a sustainable energy supply. We also plan to provide decarbonization solutions aligned with technological innovation. This approach will help Sojitz demonstrate leadership in creating a sustainable future while strengthening our competitiveness in the global energy market.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ The opportunity has already had a substantive effect on our organization in the reporting year

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.13) Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period

1. Impact on financial situation: Sojitz's LNG and gas supply businesses will be stable sources of earnings during the transition period. In particular, earnings from projects in Indonesia, Qatar, Vietnam, and Nigeria will strengthen Sojitz's financial position. Although the LNG and gas supply businesses require large initial investments, they generate stable cash flows once operations begin, which can enhance financial stability in the long run. 2. Impact on business performance: The expansion of our LNG and gas supply businesses will have a positive impact on Sojitz's performance. In particular, as demand is expected to increase in emerging Asian countries, strengthening our presence in these markets will contribute to higher sales. In addition, Sojitz's operation of high-efficiency gas-fired power plants, leveraging our many years of experience and technological capabilities, is expected to enhance competitiveness and lead to improved business performance. 3. Impact on cash flow (CF): In the LNG and gas supply businesses, although initial investments are large, stable income is expected from long-term contracts, which will improve cash flow stability. This will allow Sojitz to invest in other new projects and allocate its fund to strengthen existing businesses, promoting further growth.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.16) Financial effect figure in the reporting year (currency)

4000000000

(3.6.1.23) Explanation of financial effect figures

*We have positioned gas-to-power as a core business area, as it is expected to grow into the pillar that supports increasing energy demand in emerging countries in Asia. In pursuit of greater follow-through and reproducibility for our gas-to-power businesses, we will maximize the synergy gained by merging the team which has handled our historically strong integrated LNG businesses with the team most skilled in PPP/PFI projects for gas-fired power plants. As LNG demand is expected to increase in the future, we forecast an increase in revenue. Financial impact The FY2023 net profit of LNG Japan Corporation, which is involved in LNG and related businesses, was JPY 8 billion, and the impact on Sojitz Group will be JPY 4 billion based on Sojitz's stake in the company. *A Public-Private Partnership (PPP) is a collaborative arrangement between public sector entities and private sector companies to deliver public services or infrastructure projects. **A Private Finance Initiative (PFI) is a specific type of PPP where private sector investment is used to finance public infrastructure projects.*

(3.6.1.24) Cost to realize opportunity

105832859

(3.6.1.25) Explanation of cost calculation

The costs to promote LNG businesses has been calculated to total JPY 105,832,859. These handling costs include labor costs associated with the teams responsible for our LNG businesses and all activity costs that comprise Selling, General, and Administrative (SG&A) costs, such as supply costs. Sojitz Group's total Selling, General and Administrative expenses: JPY241.5 billion Number of Sojitz Group employees:22,819 Total number of employees involved with LNG businesses: 10 employees JPY241.5 billion10 employees22,819 employees JPY 105,832,859

(3.6.1.26) Strategy to realize opportunity

Situation: While we recognize the effects on climate change, we predict governments and business sectors will promote the rapid introduction of natural gas and LNG as these energy technologies are expected to support the transition to a decarbonized society due to the fact that they emit less CO2 than coal or oil. Task: Under these circumstances, carbon prices are expected to soar, and the challenge is to expand and strengthen the scope of our portfolio, not only in the gas power generation business using natural gas and LNG, which have higher CO2 emission efficiency, but also in peripheral businesses from upstream to downstream. Action: We are advancing the Tangguh LNG project in Papua Barat Province, Indonesia. The project is currently the largest gas producing field in Indonesia with 1.4 billion cubic feet (Bcf) per day of gas production through two LNG trains and will reach 2.1 Bcf per day, providing a stable long-term supply. Result: The new liquefaction train (Train 3) of the Tangguh Project has started commercial operation, and the first shipment of liquefied natural gas (LNG) produced by Train 3 has safely departed from the Tangguh site. In this way, we will actively engage in gas-powered generation projects utilizing natural gas and LNG, which offer higher CO2 emission efficiency, to ensure long-term stable supply and contribute to the transition to a decarbonized society.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Japan

(3.6.1.8) Organization specific description

In response to the trend towards carbon reduction and decarbonization, governments around the world are enacting stricter CO2-related regulations, and companies are also expected to contribute to decarbonization. The logistics industry is also expected to accelerate its efforts to decarbonize, and electric delivery vehicles are one possible measure to reduce CO2 emissions. In the "Sustainability Challenge," Sojitz's long-term vision, we have set forth the challenge of realizing a decarbonized society through our business, and we believe that is essential to create new projects that are sustainable over the medium to long term while continuing our existing businesses. To this end, we have launched the "Hassojitz" (Sojitz Ideas) Project in 2019, in which we harness the power of ideas to realize new businesses, and young employees selected through internal recruitment are taking the lead in creating businesses for the future toward 2050. In the Hassojitz Project, we have focused on the growing demand for electric vehicles (EVs) as an opportunity for the transition to a decarbonized society brought about by climate change. The first investment project that has launched as a result of the Hassojitz Project is a business alliance to support the creation of businesses using EVs, as described below. In 2020, Sojitz entered into a capital and business alliance with ASF Co., Ltd., a start-up company which develops, manufactures, and supplies EVs and provides battery-leasing services.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues through access to new and emerging markets

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

1. Impact on financial situation: Sojitz's investment in companies such as ASF Inc. will increase our capital investments and generate cash outflows in the short term, but long-term returns are expected. Investments in EV businesses will diversify the asset portfolio and reduce the risk of dependence on specific industries. 2. Impact on business performance: With the growth of the EV market, the business expansion of companies such as ASF Inc. is expected to diversify Sojitz's revenue sources and improve earnings. Decarbonization efforts will be evaluated, brand value will be enhanced, and competitiveness will be strengthened. 3. Impact on cash flow (CF): Although cash outflows will be generated in the short term from investments in companies such as ASF Inc. and infrastructure development, cash inflows will increase in the long term as dividends and investment returns are expected due to the growth of the companies invested in. Operating cash flow is also expected to increase due to the expansion of the EV business. Demand for working capital may fluctuate as new businesses develop.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ Yes

(3.6.1.21) Anticipated financial effect figure in the long-term - minimum (currency)

0

(3.6.1.22) Anticipated financial effect figure in the long-term – maximum (currency)

33000000000

(3.6.1.23) Explanation of financial effect figures

In order to reduce CO2 emissions associated with global warming and to combat air pollution in urban areas, countries around the world are regulating plug-in hybrid vehicles (PHEVs) in addition to conventional gasoline and diesel vehicles. In particular, Europe is advancing the strongest environmental measures in the world, and European countries are implementing stricter regulations on gasoline and diesel vehicles. According to the Stated Policies Scenario in the IEA's World Energy Outlook report, electric vehicles (including battery electric vehicles (BEV), hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV), and mild hybrid electric vehicles (MHEV)) are expected to account for 35% of new vehicle sales in 2030. In 2021, approximately 370,000 new light-duty trucks for last-mile transportation were sold in Japan. Through its portfolio companies, Sojitz aims to capture a 5% share of the market by 2030. This is equivalent to approximately 18,000 vehicles, and based on the sales price per vehicle, the total sales amount is estimated at approximately JPY 33 billion. However, if policies change in each country and the projections based on the Stated Policies Scenario do not materialize, in other words, if demand for EVs does not increase and demand for diesel and gasoline vehicles continues to increase, the above opportunity may not materialize. Therefore, we assess the minimum financial impact at JPY 0.

(3.6.1.24) Cost to realize opportunity

105832859

(3.6.1.25) Explanation of cost calculation

We have concluded that the costs for promoting our EV businesses amounts to JPY 105,832,859. These handling costs include labor costs associated with the departments responsible for our EV businesses and all activity costs that comprise Selling, General and Administrative expenses, such as supply costs. Sojitz Group's total Selling, General and Administrative expenses: JPY241.5 billion Number of Sojitz Group employees:22,819 Total number of employees involved with EV businesses: 10 employees JPY241.5 billion10 employees22,819 employees JPY 105,832,859

(3.6.1.26) Strategy to realize opportunity

Situation: Companies are called on to reduce their CO2 emissions. In addition to Scope 1 and 2 emissions, it is necessary to accelerate the reduction of Scope 3. Task: In the "Sustainability Challenge," Sojitz's long-term vision, we have set a goal of achieving decarbonization by 2050, and our goal in the medium in long term is to create new businesses that are sustainable while working to achieve a decarbonized society. Action: In FY2019, Sojitz launched the "Hassojitz" (Sojitz Ideas) project, in which we harness the power of ideas to realize new businesses for the future in 2050. In the Hassojitz Project, we have focused on the growing demand for electric vehicles (EVs) as an opportunity for the transition to a decarbonized society brought about by climate change. Result: After consideration, in December 2020, Sojitz entered into a capital and business alliance with ASF Co., Ltd., a start-up company which develops, manufactures, and supplies EVs and provides battery-leasing services. In June 2021, Sojitz served as lead investor in a new third-party allotment of shares to be conducted by ASF, thereby strengthening the capital relationship. Sojitz will also

promote “Green EV Infrastructure” business (EV infrastructure business using clean electricity produced from renewable energy). In June 2020, ASF signed a basic agreement with Sagawa Express Co., Ltd., a major Japanese delivery company, to start joint development of small EVs (test vehicles) and has been pursuing joint development and demonstration tests of small commercial EVs specifically for logistics companies. Through third-party allotment of new shares, ASF will begin full-scale development of commercial EVs geared towards mass production. Sagawa Express Co., Ltd. Is expected to start deliveries using EVs developed by ASF in September 2022, and if it replaces all its vehicles with EVs, Sagawa Express Co., Ltd.’s overall CO2 emissions are expected to decrease by 10% over FY2019.

Forests

(3.6.1.1) Opportunity identifier

Select from:

☑ Opp2

(3.6.1.2) Commodity

Select all that apply

☑ Timber products

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

☑ Increased security of production

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

☑ Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

☑ Japan

(3.6.1.8) Organization specific description

In May 2022, Sojitz began trial planting of fast-growing Japanese aspen trees in Kawaminami-cho, Koyu-gun, Miyazaki Prefecture, as part of our fast-growing tree project. In April 2023, we began trial production of sorghum crops in addition to Japanese aspen trees using fallow land and other unused farmland in the same prefecture. These will be processed into biomass fuels and livestock feed, and delivered to consumers as part of a demonstration project for resource recycling.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

☑ Increased revenues resulting from increased production capacity

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

☑ Long-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

☑ Likely (66–100%)

(3.6.1.12) Magnitude

Select from:

☑ Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Increased sales and decreased costs due to improved production stability, and increased sales through entry into new and emerging markets

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

☑ No

(3.6.1.24) Cost to realize opportunity

0

(3.6.1.25) Explanation of cost calculation

No cost incurred

(3.6.1.26) Strategy to realize opportunity

Under an agreement with Miyazaki Prefecture, we will receive information on the production of agricultural resources, and plan to collaborate in evaluating the widespread use of the products. Production materials such as fuel and feed are mainly sourced overseas, so there is a need to shift to a sustainable production structure utilizing domestic resources. Sojitz will work with Miyazaki to build a new regional recycling model, contributing to the growth of agriculture and related industries in the prefecture.
[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:
☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

169617000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:
☑ 1-10%

(3.6.2.4) Explanation of financial figures

Sojitz Group's revenue for the fiscal year ended March 2024: JPY 2,414.6 billion Energy Solutions & Healthcare Division revenue for the fiscal year ended March 2024, including business activities aligned with opportunities related to environments such as renewable energy and energy conservation: JPY 169.6 billion Ratio: JPY 169.6 billion / JPY 2,414.6 billion 100 7.0%

Forests

(3.6.2.1) Financial metric

Select from:

☑ Revenue

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

267800000000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

☑ 11-20%

(3.6.2.4) Explanation of financial figures

Sojitz Group sales (revenue) for the year ended March 31, 2024: 2,414.6 billion yen Consumer Industry & Agriculture Business Division sales (revenue) for the year ended March 31, 2024, including business activities aligned with environment-related opportunities such as the supply of environmentally-friendly wood: 267.8 billion yen Proportion: 2,678 / 24,146 x 100 11.0%
[Add row]

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

☑ Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

☑ More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

☑ Executive directors or equivalent

☑ Non-executive directors or equivalent

☑ Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

☑ Yes, and it is publicly available

(4.1.5) Briefly describe what the policy covers

A general trading company deals in a wide and varied range of businesses. To ensure appropriate decision making and oversight of management, Sojitz considers diversity, including that of gender and international experience, when selecting directors, and has selected several individuals with a wealth of experience, exceptional insight, and sophisticated expertise from both within and outside Sojitz. Sojitz's Articles of Incorporation stipulate that the number of directors shall not exceed 10.

(4.1.6) Attach the policy (optional)

(4.1.1) Is there board-level oversight of environmental issues within your organization?

	Board-level oversight of this environmental issue
Climate change	*Select from:* ☑ Yes
Forests	*Select from:* ☑ Yes

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply
☑ Chief Operating Officer (COO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:
☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Board mandate

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Reviewing and guiding annual budgets

☑ Overseeing and guiding scenario analysis

☑ Overseeing the setting of corporate targets

☑ Monitoring progress towards corporate targets

☑ Approving corporate policies and/or commitments

☑ Monitoring the implementation of the business strategy

☑ Overseeing reporting, audit, and verification processes

☑ Monitoring the implementation of a climate transition plan

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Monitoring supplier compliance with organizational requirements

☑ Monitoring compliance with corporate policies and/or commitments

☑ Overseeing and guiding the development of a climate transition plan

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

☑ Overseeing and guiding public policy engagement

☑ Overseeing and guiding public policy engagement

☑ Reviewing and guiding innovation/R&D priorities

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

(4.1.2.7) Please explain

Sojitz has developed a governance structure to supervise and advance environmental initiatives through its Sustainability Committee, chaired by the President, and a Corporate Sustainability Department. The Committee's mandate encompasses setting sustainability policies and objectives company-wide, ensuring adherence to the ISO 14001 standard, and monitoring the implementation of these policies. The Sustainability Committee deliberates on both immediate and long-term strategic

sustainability issues, such as materiality, environmental and social risks, climate change measures, CSR in supply chains, the Sojitz Wood Procurement Policy, ESG reporting, and other related areas. The Finance & Investment Deliberation Council evaluates the sustainability aspect of individual proposals, particularly assessing environmental and social risks. Sojitz Group identifies and categorizes business risks per its Basic Code of Corporate Risk Management. Annually, a risk management policy and plan are established by the Board of Directors. The Sustainability Committee reviews environmental and social risk strategies, including climate change, recommending actions to the Management Committee and Board of Directors. Scenario analysis is conducted, particularly for high-risk areas like coal and power generation, to anticipate and plan for potential regulatory impacts due to climate change. This assessment has led to the conclusion that these risks are expected to have a limited impact on the business. All new investment projects are scrutinized for environmental and societal risks before approval, ensuring alignment with sustainability objectives. The Committee's resolutions are communicated to employees and operationalized through action plans created by each department. These plans focus on assessing the environmental impact of global operations and compliance with laws, setting goals, and creating action plans to mitigate these impacts. Progress on these plans is reviewed biannually, with findings evaluated by the Sustainability Committee and reported to the Management Committee. Performance evaluations of business divisions also reflect progress on climate change-related objectives. In summary, Sojitz's Board of Directors supervises environmental challenges through the Sustainability Committee, which actively manages risks, sets strategic directions, and ensures company-wide communication and accountability for sustainability goals. The company's approach to environmental and social risks is proactive and integrated into all levels of decision-making and operations, with regular reviews to adapt and respond to changing conditions.

Forests

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

☑ Chief Operating Officer (COO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

☑ Yes

(4.1.2.3) Policies which outline the positions' accountability for this environmental issue

Select all that apply

☑ Board Terms of Reference

☑ Board mandate

☑ Individual role descriptions

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

☑ Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

☑ Approving and/or overseeing employee incentives

☑ Overseeing and guiding major capital expenditures

☑ Monitoring the implementation of the business strategy

☑ Overseeing and guiding the development of a business strategy

☑ Overseeing and guiding acquisitions, mergers, and divestitures

☑ Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

Sojitz has developed a governance structure to supervise and advance environmental initiatives through its Sustainability Committee, chaired by the President, and a Corporate Sustainability Department. The Committee's mandate encompasses setting sustainability policies and objectives company-wide, ensuring adherence to the ISO 14001 standard, and monitoring the implementation of these policies. The Sustainability Committee deliberates on both immediate and long-term strategic sustainability issues, such as materiality, environmental and social risks, climate change measures, CSR in supply chains, the Sojitz Wood Procurement Policy, ESG reporting, and other related areas. The Finance & Investment Deliberation Council evaluates the sustainability aspect of individual proposals, particularly assessing environmental and social risks. Sojitz Group identifies and categorizes business risks per its Basic Code of Corporate Risk Management. Annually, a risk management policy and plan are established by the Board of Directors. The Sustainability Committee reviews environmental and social risk strategies, including the Sojitz Wood Procurement Policy, recommending actions to the Management Committee and Board of Directors. In order to precure wood responsibly in accordance with the Sojitz Group Action Guidelines for Supply Chains, we recognize the importance of ensuring that activities are in line with our Wood Procurement Policy established in September 2015.
[Fixed row]

(4.2) Does your organization’s board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)

☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Executive-level experience in a role focused on environmental issues

☑ Management-level experience in a role focused on environmental issues

☑ Staff-level experience in a role focused on environmental issues

☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

Forests

(4.2.1) Board-level competency on this environmental issue

Select from:

☑ Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

☑ Consulting regularly with an internal, permanent, subject-expert working group

☑ Engaging regularly with external stakeholders and experts on environmental issues

☑ Integrating knowledge of environmental issues into board nominating process

☑ Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
☑ Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

☑ Executive-level experience in a role focused on environmental issues
☑ Management-level experience in a role focused on environmental issues
☑ Staff-level experience in a role focused on environmental issues
☑ Experience in an organization that is exposed to environmental-scrutiny and is going through a sustainability transition

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

	Management-level responsibility for this environmental issue
Climate change	*Select from:* ☑ Yes
Forests	*Select from:* ☑ Yes

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Developing a climate transition plan

☑ Implementing a climate transition plan

☑ Conducting environmental scenario analysis

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues
☑ Managing environmental reporting, audit, and verification processes
☑ Managing acquisitions, mergers, and divestitures related to environmental issues
☑ Managing major capital and/or operational expenditures relating to environmental issues
☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other
☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:
☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:
☑ Quarterly

(4.3.1.6) Please explain

In order to advance sustainability-oriented management and operations, Sojitz has established a Sustainability Committee with the President of Sojitz serving as its Committee Chair, as well a dedicated Corporate Sustainability Department. The Sustainability Committee's activities include establishing company-wide sustainability-related policies and goals, constructing frameworks for their implementation, and monitoring various measures that utilize the ISO 14001 environmental management system standard. Additionally, the Finance & Investment Deliberation Council is checking individual proposals for their relevance in terms of environmental or social risks and sustainability. In addition to discussing areas of focus and future courses of action for the company in the mid- and long-term, including Key Sustainability Issues (Materiality) and related sustainability goals, the Sustainability Committee also deliberates concrete policies concerning responses to environmental and social risk, climate change countermeasures, promotion of supply chain CSR, promotion of the Sojitz Wood Procurement Policy, ESG disclosure, environmental ISOs, social contribution activities, and other topics.

Forests

(4.3.1.1) Position of individual or committee with responsibility

Executive level

☑ Chief Operating Officer (COO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

☑ Assessing environmental dependencies, impacts, risks, and opportunities

☑ Assessing future trends in environmental dependencies, impacts, risks, and opportunities

☑ Managing environmental dependencies, impacts, risks, and opportunities

Engagement

☑ Managing engagement in landscapes and/or jurisdictions

☑ Managing public policy engagement related to environmental issues

☑ Managing supplier compliance with environmental requirements

☑ Managing value chain engagement related to environmental issues

Policies, commitments, and targets

☑ Monitoring compliance with corporate environmental policies and/or commitments

☑ Measuring progress towards environmental corporate targets

☑ Measuring progress towards environmental science-based targets

☑ Setting corporate environmental policies and/or commitments

☑ Setting corporate environmental targets

Strategy and financial planning

☑ Managing annual budgets related to environmental issues

☑ Implementing the business strategy related to environmental issues

☑ Developing a business strategy which considers environmental issues

☑ Managing environmental reporting, audit, and verification processes

☑ Managing acquisitions, mergers, and divestitures related to environmental issues

☑ Managing major capital and/or operational expenditures relating to environmental issues

☑ Managing priorities related to innovation/low-environmental impact products or services (including R&D)

Other

☑ Providing employee incentives related to environmental performance

(4.3.1.4) Reporting line

Select from:

☑ Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

☑ Half-yearly

(4.3.1.6) Please explain

In order to advance sustainability-oriented management and operations, Sojitz has established a Sustainability Committee with the President of Sojitz serving as its Committee Chair, as well a dedicated Corporate Sustainability Department. The Sustainability Committee's activities include establishing company-wide sustainability-related policies and goals, constructing frameworks for their implementation, and monitoring various measures that utilize the ISO 14001 environmental management system standard. Additionally, the Finance & Investment Deliberation Council is checking individual proposals for their relevance in terms of environmental or social risks and sustainability. In addition to discussing areas of focus and future courses of action for the company in the mid- and long-term, including Key Sustainability Issues (Materiality) and related sustainability goals, the Sustainability Committee also deliberates concrete policies concerning responses to environmental and social risk, climate change countermeasures, promotion of supply chain CSR, promotion of the Sojitz Wood Procurement Policy, ESG disclosure, environmental ISOs, social contribution activities, and other topics.
[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

The remuneration of directors is determined in a comprehensive manner that incorporates not only business performance but also ESG-related performance, including decarbonization ((1) reductions in the Company's direct energy use and (2) reductions in thermal coal, coking coal, and oil interests), as KPIs (weighted at 20% of the total).

Forests

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:
☑ Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

20

(4.5.3) Please explain

In determining Remuneration of Directors, the achievement of an ESG-related indicator is incorporated as a KPI with a weighting of 20%. ESG-related indicators consist of: decarbonization; social issues; and people. Social issues also include incentives for managing forest-related issues.
[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Shares

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

☑ Reduction in absolute emissions in line with net-zero target

☑ Other targets-related metrics, please specify

Strategy and financial planning

☑ Achievement of climate transition plan

☑ Increased alignment of capex with transition plan and/or sustainable finance taxonomy

☑ Board approval of climate transition plan

☑ Shareholder approval of climate transition plan

☑ Increased investment in environmental R&D and innovation

☑ Shift to a business model compatible with a net-zero carbon future

Emission reduction

☑ Implementation of an emissions reduction initiative

☑ Reduction in emissions intensity

☑ Increased share of renewable energy in total energy consumption

☑ Reduction in absolute emissions

Resource use and efficiency

☑ Energy efficiency improvement

☑ Reduction in total energy consumption

Policies and commitments

☑ Increased supplier compliance with environmental requirements

☑ New or tighter environmental requirements applied to purchasing practices

Engagement

☑ Increased value chain visibility (traceability, mapping)

☑ Implementation of employee awareness campaign or training program on environmental issues

☑ Increased engagement with suppliers on environmental issues

☑ Increased engagement with customers on environmental issues

☑ Increased engagement with smallholders on environmental issues

☑ Increased engagement in landscape (including river basin) and jurisdictional initiatives

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

(4.5.1.5) Further details of incentives

Sojitz Corporation will continue and partially revise its performance-based stock compensation system, initially introduced in fiscal 2018 for certain directors and executive officers. The plan, known as the Board Incentive Plan (BIP) Trust, aligns the interests of directors with the mid- to long-term performance and corporate value enhancement, excluding outside directors, Audit & Supervisory Committee members, and non-residents of Japan. The BIP Trust grants Sojitz shares and cash equivalent to the value of the shares, plus dividends, based on position and performance targets achievement. This system mirrors Western performance share and restricted stock programs, promoting transparency and objectivity. As Sojitz shifts to a company with an Audit & Supervisory Committee, the incentive plan will see changes to increase the proportion of compensation linked to the system and adjust evaluation indicators. These changes aim to boost motivation to meet the "Medium-Term Management Plan 2026" targets and enhance Sojitz Group's long-term performance and corporate value. The compensation committee, with a majority of outside directors, reviewed and approved the continuation and revisions of this plan, ensuring the remuneration process remains transparent and objective. Changes awaiting shareholder approval involve modifying performance targets and the weight of evaluation indicators, including consolidated net income, Sojitz's stock growth rate, and ESG-related indicators. Share and benefit grants under this plan will be awarded post-retirement. In essence, Sojitz's director incentives are designed to reward long-

term success through a clear and fair stock compensation program closely linked to company performance and ESG objectives.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Remuneration of Directors is comprehensively determined by taking into account business results and non-financial aspects of performance (including a response to climate change etc).

Forests

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

☑ Corporate executive team

(4.5.1.2) Incentives

Select all that apply

☑ Shares

(4.5.1.3) Performance metrics

Targets

☑ Progress towards environmental targets

☑ Achievement of environmental targets

☑ Organization performance against an environmental sustainability index

Strategy and financial planning

☑ Increased investment in environmental R&D and innovation

Resource use and efficiency

☑ Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain

☑ Improvements in commodity production efficiency

☑ Improvements in commodity volume data collection, reporting and third-party verification/certification

Policies and commitments

☑ Increased supplier compliance with environmental requirements

☑ New or tighter environmental requirements applied to purchasing practices

☑ Increase in verified compliance with Deforestation and Conversion Free (DCF) policies and/or commitments

Engagement

☑ Increased value chain visibility (traceability, mapping)

☑ Implementation of employee awareness campaign or training program on environmental issues

☑ Increased engagement with suppliers on environmental issues

☑ Increased engagement with customers on environmental issues

☑ Increased engagement with smallholders on environmental issues

☑ Increased engagement in landscape (including river basin) and jurisdictional initiatives

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

☑ Long-Term Incentive Plan, or equivalent, only (e.g. contractual multi-year bonus)

(4.5.1.5) Further details of incentives

Sojitz Corporation will continue and partially revise its performance-based stock compensation system, initially introduced in fiscal 2018 for certain directors and executive officers. The plan, known as the Board Incentive Plan (BIP) Trust, aligns the interests of directors with the mid- to long-term performance and corporate value enhancement, excluding outside directors, Audit & Supervisory Committee members, and non-residents of Japan. The BIP Trust grants Sojitz shares and cash equivalent to the value of the shares, plus dividends, based on position and performance targets achievement. This system mirrors Western performance share and restricted stock programs, promoting transparency and objectivity. As Sojitz shifts to a company with an Audit & Supervisory Committee, the incentive plan will see changes to increase the proportion of compensation linked to the system and adjust evaluation indicators. These changes aim to boost motivation to meet the "Medium-Term Management Plan 2026" targets and enhance Sojitz Group's long-term performance and corporate value. The compensation committee, with a majority of outside directors, reviewed and approved the continuation and revisions of this plan, ensuring the remuneration process remains transparent and objective. Changes awaiting shareholder approval involve modifying performance targets and the weight of evaluation indicators, including consolidated net income, Sojitz's stock growth rate, and ESG-related indicators. Share and benefit grants under this plan will be awarded post-retirement. In essence, Sojitz's director incentives are designed to reward long-term success through a clear and fair stock compensation program closely linked to company performance and ESG objectives.

(4.5.1.6) How the position's incentives contribute to the achievement of your environmental commitments and/or climate transition plan

Remuneration of Directors is comprehensively determined by taking into account business results and non-financial aspects of performance (including forest etc). [Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: ☑ Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Climate change

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

(4.6.1.4) Explain the coverage

Sojitz's environmental policy covers its direct operations. On the other hand, as a general trading company developing business around the world, Sojitz is involved in a wide range of supply chains. This means that one of the biggest challenges for Sojitz Group is figuring out how to work together with suppliers to reduce environmental and social (human rights) risk within our supply chains. Sojitz has established the Sojitz Group CSR Action Guidelines for Supply Chains based on the ten principles of the United Nations Global Compact. We share these guidelines with our suppliers and require them to develop climate change countermeasures; initiatives for effective use of water, waste materials, and other resources; measures to protect biodiversity; and responses to human rights violations. In practice, we will respect the requirements of international standards such as the "Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" stipulated by the OECD.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to a circular economy strategy

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

☑ Commitment to net-zero emissions

☑ Commitment to not funding climate-denial or lobbying against climate regulations

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

(4.6.1)Sojitz Environmental Policy.pdf

Row 3

(4.6.1.1) Environmental issues covered

Select all that apply

☑ Forests

(4.6.1.2) Level of coverage

Select from:

☑ Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

☑ Direct operations

☑ Upstream value chain

☑ Downstream value chain

(4.6.1.4) Explain the coverage

Scope of application includes direct operations, value chain upstream, and value chain downstream.

(4.6.1.5) Environmental policy content

Environmental commitments

☑ Commitment to take environmental action beyond regulatory compliance

☑ Commitment to stakeholder engagement and capacity building on environmental issues

Forests-specific commitments

☑ Commitment to no land clearance by burning or clearcutting

☑ Commitment to no-conversion of natural ecosystems by target date, please specify :Our Wood Procurement Policy states that we aim to build a supply chain which allows for no deforestation. "No deforestation" is defined as no conversion of natural forests and no damage to high conservation value forests.

☑ Commitment to no-deforestation by target date, please specify :Our Wood Procurement Policy states that we aim to build a supply chain which allows for no deforestation. "No deforestation" is defined as no conversion of natural forests and no damage to high conservation value forests.

Social commitments

☑ Adoption of the UN International Labour Organization principles

☑ Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities

☑ Commitment to secure Free, Prior, and Informed Consent (FPIC) of indigenous people and local communities

Additional references/Descriptions

☑ Description of dependencies on natural resources and ecosystems

☑ Reference to timebound environmental milestones and targets

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

☑ Yes, in line with another global environmental treaty or policy goal, please specify :No trade in species regulated by CITES.

(4.6.1.7) Public availability

Select from:

☑ Publicly available

(4.6.1.8) Attach the policy

4.6.1Policy.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

☑ Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

☑ Forest Stewardship Council (FSC)

☑ Japan Climate Leaders' Partnership (JCLP)

☑ Programme for the Endorsement of Forest Certification (PEFC)

☑ Task Force on Climate-related Financial Disclosures (TCFD)

(4.10.3) Describe your organization's role within each framework or initiative

Sojitz is a participating member of the Global Compact Network Japan, which is made up of member companies of the United Nations Global Compact. Sojitz is a member of the Supply Chain Subcommittee, Environmental Management Subcommittee, Human Rights Due Diligence Subcommittee, Human Rights Education, SDGs Subcommittee, ESG Subcommittee, Reporting Research Subcommittee, Circular Economy Research Subcommittee. These subcommittees share case studies that are company-specific and advanced cases while simultaneously pursuing solutions based on the experience of participating companies in a wide-range of industries. Additionally, Sojitz Group implements knowledge gained through participation in these subcommittees. As a member of the Japan Climate Leaders' Partnership, Sojitz will advance carbon neutral initiatives and act in accordance with the Paris Agreement and U.N.'s Sustainability Development Goals (SDGs) to contribute to the realization of a decarbonized society through information dissemination and exchanges with other companies. In August 2018, Sojitz declared its endorsement of the final recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). In addition, Sojitz Group has obtained SFC and PEFC certification related forest.
[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

☑ Yes, we engaged directly with policy makers

☑ Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

☑ Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

☑ Paris Agreement

(4.11.4) Attach commitment or position statement

(4.11)Sojitz Sustainability Challenge.pdf

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

☑ Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

☑ Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Name: Transparenzregister, ID Number: 7700491454

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are

consistent with your environmental commitments and/or transition plan

The basis for our strategy for addressing climate change is to contribute to the realization of a decarbonized society as announced in our long-term sustainability vision for 2050, the "Sustainability Challenge." This policy is in line with the Japanese government's decarbonization policy. When directly or indirectly participating in government policies, the Sustainability Committee (chaired by Sojitz President & COO and made up of Sojitz directors and executives) confirms that the policies are in line with our goal to contribute to the realization of a decarbonized society. In August 2018, we declared our endorsement of the TCFD, and we conduct scenario analysis on business areas (coal interest business and power generation business) where we expect climate change to have a major impact on our business and finances as one of our strategies within the TCFD framework. The results of this analysis are reported to the Sustainability Committee. Based on the results, we established our goal to reduce the assets of our thermal coal interests by 2030 half or less as compared to the end of March 2019. In light of recent growing trends towards decarbonization and the opinions contributed by external experts during our periodic stakeholder dialogues, we chose to accelerate the timeline of our decarbonization targets and announced our goal to reduce the assets of our thermal coal interests by half or less by 2025 and to zero by 2030. This new goal was determined following deliberation by the Sustainability Committee and after receiving approval from the Management Committee, and we have confirmed that our decarbonization initiatives are in line with TCFD recommendations and Japanese government policies. In terms of thermal coal interests (FY2023 book value basis), Sojitz has reduced its thermal coal interests to JPY 3.9 billion in FY2023, which is an approximately 90% reduction from the 2018 benchmark year. Sojitz has achieved its goal of reducing thermal coal interests to half or less by 2025 ahead of schedule.
[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

Acquisition of carbon credits through a joint crediting mechanism (JCM) for achievement of Japan's GHG emission reduction and the partner countries' emission reduction target.

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply
☑ Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Other

☑ Climate transition plans
☑ International agreement related to climate change adaptation
☑ International agreement related to climate change mitigation

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:
☑ National

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply
☑ Viet Nam

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:
☑ Support with no exceptions

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply
☑ Ad-hoc meetings
☑ Regular meetings
☑ Discussion in public forums
☑ Responding to consultations
☑ Submitting written proposals/inquiries
☑ Participation in voluntary government programs
☑ Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

Situation: Sojitz Osaka Gas Energy Company Ltd. (SOGEC), a joint venture between Sojitz Corporation and Osaka Gas Co., Ltd., has partnered with Looop Inc. to establish SOL Energy Company Ltd (SOL) on October 21, 2021. SOL is engaged in rooftop solar power generation business for industrial and commercial customers in Vietnam. Task: The main task is to reduce greenhouse gas (GHG) emissions through the installation of rooftop solar panels, leveraging financial support from Japan's Ministry of the Environment (MOE) under the Joint Crediting Mechanism (JCM) and the cooperation of the Japanese and Vietnamese governments, thereby contributing to the achievement of the GHG reduction targets set by the Vietnamese government. Action: 1. Establishment of SOL: SOGEC and Looop Inc. established SOL to carry out rooftop solar power generation business. 2. Utilization of Financial Support: SOL leveraged financial support from the MOE's JCM Model Projects program. This support covered up to half of the initial investment costs, making the installation of rooftop solar panels at Long Duc Industrial Park (LDIP) possible. 3. Installation of Solar Panels: SOL has commenced the installation of rooftop solar panels at the LDIP in Dong Nai Province, Vietnam, generating over 10MW of power. The financial support from the JCM program includes the installation of 9,800 kW of solar panels. 4. Reduction of CO2 Emissions: The installation of solar panels is expected to reduce CO2 emissions at LDIP by approximately 9,200 tons annually. 5. Long-Term Power Supply: SOL Energy aims to supply solar power to its customers over the long term and promote the use of renewable energy by distributing surplus electricity to tenants within the industrial park, contributing to the decarbonization of the industrial park. 6. Expansion Plans: SOL plans to expand its solar power projects beyond the LDIP and promote the adoption of renewable energy throughout Vietnam. Result: By leveraging financial support from the JCM and MOE, SOL has initiated a project to significantly reduce GHG emissions in Vietnam. This project, supported by international assistance including the JCM project, aims to help Vietnam achieve its revised goal of reducing GHG emissions by 27% by 2030. In the fiscal year 2023, a 2.4 MW rooftop solar system was commissioned within the LDIP. Through these actions, SOL continues to contribute to Vietnam's sustainable development and the realization of a low-carbon society.

(4.11.1.11) Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

☑ Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

☑ Indirect engagement via a trade association

(4.11.2.4) Trade association

Asia and Pacific

☑ Japan Business Federation (Keidanren)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

☑ Climate change

☑ Forests

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

☑ Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

☑ Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

In order to address global warming, Sojitz has established CO2 emission reduction targets in accordance with the "Keidanren Carbon Neutrality Action Plan". Sojitz aims to reduce electricity consumption per floor space (electricity consumption per floor space of the entire company) by 15.7% in FY2030 compared to FY2013. As we have achieved the FY2020 reduction target (15.3% reduction from FY2009) in FY 2016, the FY2030 target was set in July 2018. Keidanren shares the same policy approach when it comes to achieving a decarbonized society.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

17000000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Sojitz is a participating member of the Japan Foreign Trade Council's Global Environment Committee under Keidanren which convenes four times annually. At a committee meeting, Sojitz recommended that reporting be made using energy intensity as opposed to energy usage metrics due to the fact that energy intensity allows for more accurate comparisons to be made in terms of actual changes over the years. Thanks to Sojitz's efforts, the Japan Foreign Trade Council (an industry organization for trading companies) has changed its reporting to use energy intensity metrics. General trading companies play a key role in society by providing a stable source of energy. From a decarbonization standpoint, we are at a turning point in the energy industry. For matters regarding decarbonization and energy, Sojitz seeks to express opinions not as a single company but as part of the larger industry of trading companies.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

☑ Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation

Select all that apply

☑ Paris Agreement

☑ Kunming-Montreal Global Biodiversity Framework

[Add row]

(4.12) Have you published information about your organization’s response to environmental issues for this reporting year in places other than your CDP response?

Select from:
☑ Yes

(4.12.1) Provide details on the information published about your organization’s response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:
☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply
☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.4) Status of the publication

Select from:
☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance
☑ Risks & Opportunities
☑ Strategy
☑ Emissions figures
☑ Emission targets

(4.12.1.6) Page/section reference

Annual Securities Report P21-29

(4.12.1.7) Attach the relevant publication

(4.12.1)Sojitz Annual Report 2024.03.31.pdf

(4.12.1.8) Comment

Sojitz has disclosed environmental issues in the annual securities report.

Row 2

(4.12.1.1) Publication

Select from:
☑ In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply
☑ TCFD

(4.12.1.3) Environmental issues covered in publication

Select all that apply
☑ Climate change

(4.12.1.4) Status of the publication

Select from:

☑ Complete

(4.12.1.5) Content elements

Select all that apply

☑ Governance

☑ Risks & Opportunities

☑ Strategy

☑ Emissions figures

☑ Emission targets

(4.12.1.6) Page/section reference

Business Report P84-85

(4.12.1.7) Attach the relevant publication

(4.12.1)Sojitz Business Report FY2023.pdf

(4.12.1.8) Comment

Sojitz has disclosed enviromental issues in the Business Report.
[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

☑ Yes

(5.1.2) Frequency of analysis

Select from:

☑ Annually

Forests

(5.1.1) Use of scenario analysis

Select from:

☑ No, and we do not plan to within the next two years

(5.1.3) Primary reason why your organization has not used scenario analysis

Select from:

☑ Lack of available methodologies

(5.1.4) Explain why your organization has not used scenario analysis

We lack available methodologies.
[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization’s scenario analysis.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

☑ IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Policy

☑ Market

☑ Liability

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 1.5°C or lower

(5.1.1.7) Reference year

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025
☑ 2030
☑ 2040
☑ 2050

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment
☑ Consumer attention to impact
☑ Other stakeholder and customer demands driving forces, please specify :気候変動に対する社会的な関心の高まり

Regulators, legal and policy regimes

☑ Global regulation
☑ Level of action (from local to global)
☑ Global targets
☑ Other regulators, legal and policy regimes driving forces, please specify :カーボンプライシング（炭素税や排出権取引制度など）、国際的な気候変動合意

Relevant technology and science

☑ Other relevant technology and science driving forces, please specify :再生可能エネルギー技術の進展、炭素回収・貯蔵技術（CCS）の進展

Direct interaction with climate

☑ On asset values, on the corporate

Macro and microeconomy

☑ Globalizing markets
☑ Other macro and microeconomy driving forces, please specify :エネルギー価格の変動、投資動向

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Major coal interests (thermal coal and coking coal) and power generation businesses in our portfolio are expected to be directly or indirectly affected by environmental regulations related to carbon dioxide. The financial impact of the Company's assets was analyzed by assuming coal demand and price forecasts up to 2050 under several scenarios, including the 1.5-degree scenario (Wood Mackenzie, etc.) and taking into account the impact of carbon prices and supply and demand fluctuations. Thermal coal demand is expected to decline to 38% in 2040 compared to 2023, and coking coal demand 41% in 2050 compared to 2023. Prices are expected to fall as demand declines.

(5.1.1.11) Rationale for choice of scenario

The IEA NZE 2050 scenario is a comprehensive energy transition strategy to achieve net-zero emissions by 2050. It is particularly suited to analyzing scenarios related to energy and raw materials, and can analyze risks related to coal and power generation businesses more rigorously than other scenarios do.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

☑ RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

☑ No SSP used

(5.1.1.3) Approach to scenario

Select from:

☑ Qualitative and quantitative

(5.1.1.4) Scenario coverage

Select from:

☑ Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

☑ Acute physical

☑ Chronic physical

☑ Market

(5.1.1.6) Temperature alignment of scenario

Select from:

☑ 4.0°C and above

(5.1.1.7) Reference year

2023

(5.1.1.8) Timeframes covered

Select all that apply

☑ 2025

☑ 2030

☑ 2040

☑ 2050

☑ 2060

☑ 2070

☑ 2080

☑ 2090

☑ 2100

(5.1.1.9) Driving forces in scenario

Stakeholder and customer demands

☑ Consumer sentiment

☑ Consumer attention to impact

Regulators, legal and policy regimes

☑ Global regulation

☑ Level of action (from local to global)
☑ Global targets
☑ Other regulators, legal and policy regimes driving forces, please specify :気候政策の不十分さ

Relevant technology and science
☑ Other relevant technology and science driving forces, please specify :技術革新の遅れ（再生可能エネルギー技術やカーボンキャプチャー技術など）

Macro and microeconomy
☑ Domestic growth
☑ Globalizing markets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

We utilize the Aqueduct water risk assessment tool based on the World Resources Institute's Four-Degree Scenario (RCP8.5) to analyze the risk of flooding from rivers and coastal areas at plants and other business sites.

(5.1.1.11) Rationale for choice of scenario

To strictly assess the physical risks associated with water, assuming the highest risk of global warming.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply
☑ Risk and opportunities identification, assessment and management
☑ Strategy and financial planning
☑ Resilience of business model and strategy
☑ Capacity building

☑ Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

☑ Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

We determined through scenario analysis that the deterioration of a portion of our coal assets would have a limited impact, and that our power generation businesses are not expected to become stranded assets. We will continue to conduct scenario analysis on a yearly basis in order to closely monitor the health of our assets. Regarding our power generation business, we conducted analysis based on the IPCC 1.5 degree scenario that is consistent with IEA's 1.5 degree scenario approach to determine the impact of carbon pricing and fluctuations in demand, as well as the cost competitiveness of our assets. As a result of our analysis, we believe that a limited number of power plants will be impacted by carbon prices and fluctuating demand. Additionally, power plants that would be affected are expected to see limited financial impacts such as asset deterioration. Based on the above analysis, Sojitz has established the following policies and is advancing its initiatives accordingly. With the book value of the assets of our thermal coal interests in the FY2018 as a base, reduce thermal coal assets to half or less by 2025 and to zero by 2030. (Target deadline moved to earlier date from the previously announced goal of reducing to half or less by 2030. Some of our Australian thermal coal interests still had remaining reserves, but in response to this policy, we accelerated the closure of coal mines by three years and recorded impairment loss in FY2020. As a result, our target of reducing thermal coal interests to half by 2025 has already been achieved ahead of schedule. We have continued our efforts to reduce thermal coal interests since then and achieved a 90% reduction in FY2023. ・In principle, Sojitz will not acquire new thermal coal interests. ・Sojitz has no current assets of coal-fired power generation nor will we have future projects planned. About our power generation business, Sojitz will limit CO2 emissions efficiency to below the level required by the 1.5 scenario. ・Power generation from renewable resources is unstable, and thermal power generation is necessary to support the transition period to decarbonization. ・Sojitz is focusing on gas-fired power generation projects, especially in Asia, where coal and diesel power generation is prevalent. ・Sojitz will control its CO2 emissions efficiency (CO2/kWh) of the Group's thermal power generation to below the level required by the 1.5 scenario. ・Sojitz will consider the measurement of Scope4 (avoided) emissions in these business regions as a result of these projects. ・Sojitz will conduct scenario analysis of its assets, and monitor concerns about the potential of those assets to become stranded. *The emissions factor is the amount of CO2 per amount of electricity generated. Formula: Emissions factor CO2 emission quantity / electricity generated. While some business sectors contain transition risks, it is possible that new technological innovations may be introduced in order to address these risks. We view these new technologies and approaches as business opportunities for Sojitz, and we aim to leverage these innovations to create future Scope 4 (avoided) emissions. Additionally, in January 2024, we established the Energy Transformation Department with the aim of promoting decarbonization businesses such as new energy through company-wide engagement. The Energy Transformation Department will operate under Sojitz president direct supervision along with other senior management, and the department will collaborate closely with each business division and the Corporate Sustainability Department to advance decarbonization-related businesses. From the standpoint of physical risks, we have identified possible water-related risks to our businesses from climate change, including flood damages, water shortages, and future changes to precipitation levels. As a general trading company, Sojitz operates business sites and supply chains in over 100 countries around the world. Water-related physical risks could therefore cause major impacts on business activities. We are focusing on acute physical risks such as floods, which are of great concern to investors. We utilize the Aqueduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) in order to check river and coastal flood risks for factories and other sites of Sojitz Group business. As a result, we have identified high river and coastal flood risk at 35*

sites, primarily in Southeast Asia. In the event a physical risk is actualized, the amount of Sojitz Group assets with the possible financial impacts are estimated to be JPY 30 billion yen.
[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:
☑ Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:
☑ Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:
☑ No, and we do not plan to add an explicit commitment within the next two years

(5.2.6) Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion

*Sojitz has formulated decarbonization polices indicators and targets for assessing and managing as below: 1.Existing businesses: Targets for Scope1/2: Reduce emissions by 60% by 2030; achieve net zero emissions by 2050 (Net zero emissions by 2030 for Scope2 *1) Note: Coal-fired power generation: No current project nor future projects planned. 2.Existing bussinessed: Targets for Scope3: Natural Resource Interest Reduction Targets Thermal coal interests: Reduce interests to half or less by 2025 Zero interests by 2030 *2 Oil interests: Zero interests by 2030 Coking coal interests: Zero interests by 2050. 3. New businesses: Targets: Formulate business-specific decarbonization polices and net zero emissions by 2050. 4. Contribution to a decarbonized society: Targets: Promote expansion of relevant businesses and initiatives as an opportunity. Measure contributions to reductions in society's CO2 emmissions(Scope4) and implement related business activities. *1:FY2019 serves as the base year with non-consolidated and consolidated subsididiaries included in the scope. Initiatives include carbon offset by certificates, etc. *2:FY2018 serves as the base year and targets are bases on the book value of interest assets.*

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

☑ We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

In formulating and updating our climate transition plan, we held a total of 352 meetings with institutional investors in FY2023 and also invite outside experts to stakeholder dialogues every year in order to stay up to date with current trends. In addition, we hold internal discussions with the COOs of each business division and make policy decisions based on discussions held by the Board of Directors, the Management Committee, and the Sustainability Committee.

(5.2.9) Frequency of feedback collection

Select from:

☑ More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

Our climate transition plan includes achieving net zero CO2 emissions by 2050 and therefore aligns with the move towards a 1.5-degree world. Our plan includes securing natural gas as a transitional energy source, but our plan is also based on the prediction that renewable energy and CCS,CCUS and DAC technology will be adopted and become widespread at an early stage. Sojitz strives to maintain an accurate understanding of external trends and perspectives in the process of promoting sustainability, and this understanding is then reflected in our policies and business activities. In addition, through appropriate disclosure and engagement, we are putting into practice a cycle that allows all of our stakeholders to offer us further new opinions.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

Sojitz Decarbonization Progress for our target as we mentioned as follows: 1.Existing businesses: Progress for Scope1/2: Achieved about 30% reduction under the Medium-Term Management Plan 2023. To accelerate decarbonization initiatives of operating companies (renewable energy, energy conservation, battery, EV/PHV, etc.) under the Medium-Term Management Plan 2026m we will execute measures to promote decarbonization. 2.Existing businesses: Progress for Scope3: Achieved 70% reduction in thermal coal interests and addressing initiatives to achieve other targets. Scope 3 measurements which started from power generation sector will complete the measurement and confirmation for all sectors within 2024. 3.Contribution to a decarbonized society: Proggress: Contributions to reduction in society's CO2 emissions (Scope4) measurements for renewable energy and energy conservation businesses.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

C5.2 Climate Change.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

☑ No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

☑ Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

☑ Products and services

☑ Upstream/downstream value chain

☑ Investment in R&D

☑ Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

1. In FY2019, we set our goal to reduce the assets of our thermal coal interests to half or less by 2030 as part of our decarbonization strategy for 2050. However, in light of the results of scenario analysis and decarbonization trends, we revised the goal in March 2021 to reduce the assets of our thermal coal interests to half or less by 2025 and to zero by 2030. 2. Case study: Most significant strategic decisions in light of the impact of climate-related risks and opportunities. Situation: In light of greater emphasis on sustainable growth, Sojitz aims to reform its resource-related business models, such as by shifting coal assets, currently weighted towards thermal coal, to high-quality coking coal. Task: As the global decarbonization accelerates, Sojitz needs to consider accelerating strategies for reducing not only thermal coal, but also coking coal. Action: Sojitz reduced its thermal coal interests by divesting interest in Moolarben Coal Mine, Australia in FY2019 and Minerva Coal Mine, Australia in FY2021. Sojitz invites environmental experts for periodic stakeholder dialogues. Sojitz created a decarbonization roadmap for 2050 based on discussion within the company. Under the policy Sojitz announced in FY2019, the target for reducing assets of thermal coal interests to half or less by 2030 was revised to reduce assets to zero by 2030. In 2021, Sojitz also announced a policy to reduce assets of coking coal interests to zero by 2050. Sojitz changed its Metals & Mineral Resources Division to the Metals, Mineral Resources & Recycling Division to strengthen its recycling businesses toward a circular economy. Additionally, Sojitz's Infrastructure & Healthcare Division is focusing on energy conservation and renewable energy businesses. Result: Sojitz entered the energy conservation business by acquiring McClure Company of the U.S. in 2021 and Ellis Air Group Pty Ltd in 2023. Also, Sojitz is working with Kyushu University and Kyushu Electric Power Co., Inc. on joint development of DAC technology. Sojitz and its partners established a company in May 2023 to realize product commercialization and implementation by the late 2020s. Also, Sojitz, Sembcorp and Kyushu Electric have signed the MOU for a green ammonia production project in India that will be generated using renewable energy and attended the AZEC ceremony in December 2023.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

☑ Risks

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Since coal-fired power plants and gas-fired power plants will eventually need fuel conversion towards a decarbonized society through transition period, Sojitz is working on a business opportunity on green hydrogen and green ammonia as alternative fuels as well as storage and transport technologies for these fuels. 2. Case study:

Most significant strategic decisions in light of the impact of climate-related risks and opportunities. Situation: Amid the global trend towards decarbonization, the establishment of a green anmmonia supply chain is an essential step towards facilitating the widespread use of hydrogen as an alternative energy source. Task: By supplying cost-competitive green ammonia, we need to promote the introduction of green energy and contribute to Japan's decarbonization efforts and to find various industrial off-takers. Besides that, we need to find cost-competitive green ammonia suppliers. Action: From 2023, Sojitz Corporation ("Sojitz") and Sembcorp Green Hydrogen Pte. Ltd., a wholly-owned subsidiary of Sembcorp Industries ("Sembcorp"), together with, Kyushu Electric Power Co. ("Kyushu Electric"), have been engaged in joint planning of a project to produce green ammonia to be supplied to Japanese off-takers. Result: Sojitz, Sembcorp and Kyushu Electric have signed the MOU for a green ammonia production project in India that will be generated using renewable energy and attended the AZEC ceremony in December 2023.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

1. Sojitz announced its strategy to shift from thermal coal to coking coal. In light of trends towards decarbonization, Sojitz then committed to realizing a decarbonized society and changed its strategy to prioritize not only reducing both thermal coal and coking coal interests, but also to promote the development of CO2 capture technology in order to contribute to global decarbonization. We expect that CCS,CCUS and DAC technology will be ready for practical implementation through 2030. Taking into account efforts to realize a decarbonized society by 2050, we believe that the development of decarbonization technology must be accelerated. Therefore, we are also investing in DAC technology demonstration projects as one measure to prepare for decarbonization.2. Case study: Strategic decision-making.S:DAC technology enables carbon dioxide to be directly captured from the atmosphere. Countries around the world are currently conducting R&D on this important technology, which is seen as a means of realizing carbon neutrality and working towards a "Beyond Zero Society." Sojitz and Kyushu University signed an MOU in 2022 and have continued to pursue R&D for DAC technology together. T: In order to realize product commercialization and social implementation as early as possible, it is necessary to not only develop DAC technology but also to perform verification tests and develop technical applications. Sojitz determined it was therefore essential to collaborate with latent consumers from the R&D stage. R: Sojitz has established a framework for early realization of social implementation before the late 2020s. Moving forward, Sojitz will promote product commercialization and utilization through co-creation with its customer networks to become a leading company in the small-scale and distributed DAC market.

Operations

(5.3.1.1) Effect type

Select all that apply

☑ Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

☑ Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

1. We have previously announced our strategy to reduce the thermal coal interests by half by 2030 that make up our potential Scope 3 CO2 emissions. Recently, not only have companies come under greater pressure to take concrete steps towards decarbonization, but various new business opportunities and possibilities have also arisen along with the move towards a decarbonized society. In light of these changes, we modified our strategy to include the complete elimination of not only our Scope 3 emissions, but also all Scope 1 and Scope 2 emissions as well. We also announced our policy in March 2021 describing our specific goals for pursuing new business opportunities such as renewable energy businesses and businesses related to the circular economy. 2. Case study: Strategic decision-making. Situation: Sojitz's Scope 1 and Scope 2 emissions totalled approximately 1 million tons of CO2 in 2019. There was a possibility that escalating carbon taxes may negatively impact Sojitz's earnings in the future. Action: Sojitz implements the following two measures for improving the efficiency of its CO2 emissions:1. In the thermal power generation sector, Sojitz strives for the highest level of efficiency within its already efficient gas power businesses.2. Sojitz seeks to expand renewable energy businesses. Result: As a result, Edenvale Solar Park marks Sojitz and ENEOS' first large-scale solar project in Australia with an installed capacity of 204MW (DC: Direct Current), and Edenvale represents one of the largest solar projects in Australia to be undertaken by Japanese companies. Construction on Edenvale Solar Park began in June 2021. The opening ceremony in September 2023 was held to celebrate reaching rated output at the solar farm.
[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

☑ Assets

(5.3.2.2) Effect type

Select all that apply

☑ Risks

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

☑ Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Among climate change risks, transition risk is large, and in our assets, there are coal interests that we expect will be directly or indirectly affected by environmental (enviro) regulations related to carbon dioxide emissions. We held about JPY 50billion of thermal coal interests in the FY2018, mainly in Australia (e.g., the Gregory Crinum mine). We expect climate change will cause our coal interests to be subject to enviro tax/carbon tax/emissions trading, increase rehabilitation costs, facilitate the spread of renewable energy and energy-saving technologies, alter countries' energy mixes and government policies, make renewable energy more price competitive with lower financial and insurance cost. Countries may impose stricter environmental taxes and emissions trading under international agreement. Of Sojitz's seven business divisions, one owns interests and conducts trading business in fossil fuels (coal), and the scale of the holdings and trading business of this unit may be affected in the long term. Explanation of financial impacts: If coal-fired power demand downstream and coal prices continue to fall due to climate change, we might, in the mid- to long-term, see the value of our coal mines decline or see them become impaired or stranded assets. This may lead to a decrease in trading-based revenue. We have been conducting scenario analysis since FY2018. In 2022, we conducted an analysis of the value of our assets with assumed demand and price forecasts based on the IEA1.5-degree scenario (IEA NZE2050) and other scenarios looking towards 2050. As a result, we confirmed that some thermal coal interest assets may deteriorate, but the impact is limited. We established the following policies based on the results of its scenario analysis: With the book value of the assets of our thermal coal interests in the FY2018 as a base, reduce thermal coal assets to half or less by 2025 and to zero by 2050. (Target deadline moved to earlier date from the previous goal of reducing to half or less by 2030.). In principle, not acquire new thermal coal interests. We have no current assets of coal-fired power generation nor will we have future projects planned. The thermal coal assets affected by these policies totalled JPY 50billion, but we have already reduced JPY46billion of these assets as of the end of March 2024. When, by 2030, we reduce our thermal coal interests to zero, additional assets to be sold off or otherwise reduced will be about JPY 4billion from FY2023.

[Add row]

(5.4) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition
	Select from: ☑ Yes	*Select all that apply* ☑ Other methodology or framework

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

☑ Other, please specify :Company owned methodology

(5.4.1.5) Financial metric

Select from:

☑ CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

66500000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

32

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

32

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

32

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

In FY2023, Sojitz executed approximately JPY 206 billion in investments of which approximately JPY 66.5 billion in investments were in focus areas such as infrastructure and healthcare (addressing social issues that include the need for essential infrastructure development and service businesses.) Sojitz's main projects to fight climate change include an off-shore wind power generation business in Taiwan and biomass power generation business in Japan.
[Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: ☑ Yes	*Select all that apply* ☑ Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:
☑ Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

☑ Drive low-carbon investment

☑ Incentivize consideration of climate-related issues in decision making

☑ Incentivize consideration of climate-related issues in risk assessment

☑ Identify and seize low-carbon opportunities

☑ Stress test investments

(5.10.1.3) Factors considered when determining the price

Select all that apply

☑ Social cost of climate-related impact

(5.10.1.4) Calculation methodology and assumptions made in determining the price

Sojitz calculates and assume ICP based on Social cost of climate-related impact.

(5.10.1.5) Scopes covered

Select all that apply

☑ Scope 1

☑ Scope 2

☑ Scope 3, other (upstream)

☑ Scope 3, other (downstream)

(5.10.1.6) Pricing approach used – spatial variance

Select from:

☑ Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

☑ Evolutionary

(5.10.1.9) Indicate how you expect the price to change over time

We anticipate increase of carbon price.

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

1962

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

36325

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

☑ Operations

☑ Risk management

☑ Opportunity management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

☑ Yes, for all decision-making processes

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers

100

(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives

Select from:

☑ Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

For our scenario analysis based on the IPCC's 1.5 scenario, we included costs assuming a rise in carbon prices and carefully examined our future business plans and strategies accordingly. In terms of electricity sales for Sojitz's two U.S. gas-fired power plants located in Pennsylvania and Connecticut, we purchase CO2 allowances from the market in accordance with the Regional Greenhouse Gas Initiative (RGGI) and bear the responsibility of covering costs in the event of a rise in CO2 prices. In terms of our coal interests, we have established a policy based on the results of our scenario analysis to cut our thermal coal interest in half or more by 2025, and zero by 2030. Based on this policy, in March 2020 we sold our 10% stake in a thermal coal interest in Australia for AUD 300 million.
[Add row]

(5.11) Do you engage with your value chain on environmental issues?

	Engaging with this stakeholder on environmental issues	Environmental issues covered
Suppliers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Forests
Smallholders	*Select from:* ☑ Yes	*Select all that apply*
Customers	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change ☑ Forests
Investors and shareholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change
Other value chain stakeholders	*Select from:* ☑ Yes	*Select all that apply* ☑ Climate change

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ No, we do not assess the dependencies and/or impacts of our suppliers, and have no plans to do so within two years

Forests

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

☑ Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

☑ Dependence on commodities

☑ Impact on deforestation or conversion of other natural ecosystems

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

☑ 76-99%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

We classify all suppliers as having a significant environmental dependence or impact. No threshold is set.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:
☑ 100%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

1500
[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:
☑ No, we do not prioritize which suppliers to engage with on this environmental issue

(5.11.2.3) Primary reason for no supplier prioritization on this environmental issue

Select from:
☑ Not an immediate strategic priority

(5.11.2.4) Please explain

Since our business model involves a large number of suppliers and customers, we prioritize engagement with our customers over engagement with suppliers on environmental issues.

Forests

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:
☑ Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

☑ Procurement spend

☑ Product safety and compliance

(5.11.2.4) Please explain

Of the Sojitz Group's wood-related suppliers, we select and survey at least 80% of the total wood-related purchase amount as our priority survey target, taking into consideration factors such as the risk of the country of origin, the size of the purchase amount, and conformity with our policy.
[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

The Sojitz Group's business operations rely on partnerships with diverse countries, regions, and industries. To promote CSR (Corporate Social Responsibility) within its supply chain, Sojitz Group expects its suppliers to adhere to specific guidelines that ensure responsible business practices, respect for human rights, and environmental protection. Key Requirements: -Respect human rights and treat employees humanely. -Prevent forced labor and child labor, and comply with labor hours and minimum wage laws. -Ensure non-discrimination in hiring and employment. -Respect employees' freedom of association and the right to collective bargaining. -Provide a safe, sanitary, and healthy work environment. -Comply with all relevant laws and regulations, ensure fair transactions, and prevent corruption. -Ensure the

quality and safety of products and services. -Consider ecosystems and environmental conservation, and prevent pollution. -Disclose information regarding these practices in a timely and appropriate manner. In cases of material breaches of these guidelines, Sojitz Group will verify the facts and request improvements from the supplier. If no improvements are made within a specified period, Sojitz Group may reconsider the contract with the supplier. If necessary, Sojitz Group, along with designated experts, will conduct site investigations.

Forests

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

☑ Yes, environmental requirements related to this environmental issue are included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

☑ Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

The Sojitz Group's business operations rely on partnerships with diverse countries, regions, and industries. To promote CSR (Corporate Social Responsibility) within its supply chain, Sojitz Group expects its suppliers to adhere to specific guidelines that ensure responsible business practices, respect for human rights, and environmental protection. Key Requirements: -Respect human rights and treat employees humanely. -Prevent forced labor and child labor, and comply with labor hours and minimum wage laws. -Ensure non-discrimination in hiring and employment. -Respect employees' freedom of association and the right to collective bargaining. -Provide a safe, sanitary, and healthy work environment. -Comply with all relevant laws and regulations, ensure fair transactions, and prevent corruption. -Ensure the quality and safety of products and services. -Consider ecosystems and environmental conservation, and prevent pollution. -Disclose information regarding these practices in a timely and appropriate manner. In cases of material breaches of these guidelines, Sojitz Group will verify the facts and request improvements from the supplier. If no improvements are made within a specified period, Sojitz Group may reconsider the contract with the supplier. If necessary, Sojitz Group, along with designated experts, will conduct site investigations.
[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

☑ Implementation of emissions reduction initiatives

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Grievance mechanism/ Whistleblowing hotline

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

☑ 1-25%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

☑ Suspend and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

☑ Unknown

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Providing information on appropriate actions that can be taken to address non-compliance

(5.11.6.12) Comment

For power generation businesses in which the company is involved, Sojitz has announced that it will set its reduction targets below the power generation intensity levels referenced in the 1.5-degree scenario, which is backed by scientific research. For this reason, Sojitz requires suppliers to deliver high-efficiency turbines to gas-fired power plants that utilize turbines. While indirect, we believe this requirement encourages SBT compliance among suppliers.

Forests

(5.11.6.1) Environmental requirement

Select from:

☑ Setting a no deforestation or conversion of other natural ecosystems commitment across entire commodity business

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

☑ Certification

☑ Off-site third-party audit

☑ On-site third-party audit

☑ Supplier scorecard or rating

☑ Supplier self-assessment

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:
☑ 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:
☑ 76-99%

(5.11.6.5) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement

Select from:
☑ 76-99%

(5.11.6.6) % tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement

Select from:
☑ 76-99%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:
☑ Suspend and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:
☑ 100%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

☑ Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

☑ Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance

☑ Providing information on appropriate actions that can be taken to address non-compliance

☑ Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

The Sojitz Group established its Wood Procurement Policy in September 2015 based on the Sojitz Group Supply Chain CSR Action Guidelines, with the following three main pillars. 1.Legality We will not handle wood obtained through illegal logging. 2.Environmental Consideration We will not handle wood obtained through logging methods which are detrimental to high conservation value forests, and we aim to build a supply chain which allows for no deforestation. 3.Social Consideration In view of logging's potential to adversely impact human rights, we will seek to mitigate any negative impact associated with wood procurement. "No deforestation" is defined as no conversion of natural forests and no damage to high conservation value forests. "Conversion of natural forests" is defined as the conversion of natural forests to tree plantations or other non-forest land use after December 31, 2020. Of the approximately 1,500 wood-related suppliers, we select at least 80% of the total purchase amount as our priority survey target, taking into consideration factors such as the risk of the country of origin, the size of the purchase amount, and conformity with our policy. We responded to a questionnaire based on the forest products checklist prepared by WWF and verified evidentiary documents.
[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ No other supplier engagement

Forests

(5.11.7.1) Commodity

Select from:

☑ Timber products

(5.11.7.2) Action driven by supplier engagement

Select from:

☑ No deforestation and/or conversion of other natural ecosystems

(5.11.7.3) Type and details of engagement

Capacity building

☑ Develop or distribute resources on how to map upstream value chain

☑ Provide training, support and best practices on how to mitigate environmental impact

☑ Support suppliers to develop public time-bound action plans with clear milestones

Financial incentives

☑ Include long-term contracts linked to environmental commitments

Information collection

☑ Collect environmental risk and opportunity information at least annually from suppliers

☑ Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

☑ Tier 1 suppliers

☑ Tier 2 suppliers

☑ Tier 3 suppliers

☑ Tier 4+ suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

☑ 76-99%

(5.11.7.7) % tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by

engagement

Select from:

☑ 100%

(5.11.7.8) Number of tier 2+ suppliers engaged

6000

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Among the Sojitz Group's approximately 1,500 wood-related suppliers, we have selected wood that accounts for at least 80% of the total purchase amount as our priority survey target, taking into consideration factors such as the risk of the country, the size of the purchase amount, and conformity with our policy, and conduct a questionnaire survey. Under the supervision of WWF Japan, we confirm "(1) traceability to the origin" and "(2) appropriateness of forest management." The questionnaire was conducted between May 1 and June 30, 2023, targeting not only primary suppliers but also secondary and higher suppliers. We also conducted an on-site audit of one supplier between November 14 and 23, 2023. Evaluation of (1) traceability to the origin and (2) appropriateness of forest management was divided into the following four levels: Level A: Certified wood Level B: Wood with verified traceability as well as appropriateness of environmentally and socially friendly forest management Level C: Fully traceable wood Level D: Insufficiently traceable wood The Sojitz Group aims to achieve the 2025 target of 100% handling of Levels A and B. In FY2023, we reached 99% handling of Levels A and B. We also carried out on-site audits for wood where there were particular concerns in the harvesting area. The Sojitz Group Wood Procurement Policy Guidance is distributed to suppliers, and the Sojitz Group Sustainable Supply Chain Handbook is made available at all times, encouraging suppliers to reduce their environmental impact and improve their working environment. In this way, we are trying to ensure sustainable wood procurement conditions. In 2017, with the establishment of SEIHOKU PLYWOOD CORPORATION and Dolphin Coat Corporation, we invested in the manufacturing of Dolphin Coat, coated plywood for softwood formwork. The base material is made from domestic materials that are sustainable and environmentally and socially friendly. We also continue to purchase FSC Controlled Wood chips from VIJACHIP on a long-term basis and sell them to paper manufacturers. In these ways, we are contributing to the sustainability of the wood industry while seizing profit-earning opportunities.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

☑ Yes, please specify the environmental requirement **:**No deforestation and/or conversion of other natural ecosystems

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

☑ Yes

[Add row]

(5.11.8) Provide details of any environmental smallholder engagement activity

Row 1

(5.11.8.1) Commodity

Select from:
☑ Timber products

(5.11.8.2) Type and details of smallholder engagement approach

Financial incentives
☑ Pay higher prices linked to best agricultural practices

(5.11.8.3) Number of smallholders engaged

1

(5.11.8.4) Effect of engagement and measures of success

The Sojitz Group respects the position of smallholders when setting prices and other terms and conditions for transactions with them.
[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Sojitz is working to curb fossil fuel-based power generation and stabilize the grid in emerging countries by expanding decentralized solar power projects through engagement activities leveraging its business investments. Vietnam declared its carbon neutrality goal by 2050 at COP26. The 8th National Power Development Plan targets 67.5%-71.5% renewable energy by 2050, but currently relies on coal for about half of its power supply. Despite growing electricity demand, the halt in new thermal power plants due to decarbonization efforts has left challenges in securing power sources. In summer, industrial parks near Hanoi have faced power reduction and emergency saving requests, leading to tight power supply situations. Expanding decentralized solar power in countries like Vietnam, which face more supply-side issues than Japan, is a solution. Challenges include dispersed customers. We collaborate with industrial park companies, the national power company, and local government officials to accelerate adoption by targeting broader areas within industrial parks, not just individual points. In the first phase, Sojitz subsidiary SOL ENERGY will install over 10,000 kW of solar power at Long Doc Industrial Park, Dong Nai Province, Vietnam. This will reduce CO2 emissions by 9,200 tons annually. The generated electricity will be supplied to customers and the industrial park, with surplus power being shared within the park. This will enhance the use of renewable energy and contribute to the decarbonization of the industrial park. The Vietnamese market was chosen for its large proportion of overseas offices (11%) and alignment with national power policies, allowing wide customer reach. Sojitz is also expanding DSPG in Indonesia. In 2022, it established Surya Nippon Nusantara (SNN) to develop rooftop solar businesses. Sojitz plans to install 100 MWp of solar power by 2030 at the Greenland International Industrial Center in Deltamus City.

(5.11.9.6) Effect of engagement and measures of success

In order to expand the distributed solar power generation business by utilizing business investments, we have set a target of starting operation of distributed solar power

generation at the Long Doc Industrial Park and expanding the conclusion of PPA agreements in FY23. Approximately 70 customers of the Long Duc Industrial Park were introduced to the distributed solar power generation business through monthly regular meetings and individual interviews within the park, where we continuously explained the significance of adopting renewable energy. As a result of the subsequent survey, 48% of the respondents expressed interest in visualizing GHG emissions, and some companies began installing smart meters to monitor utilities in real time. In the future, we are considering installing smart meters for all land-purchased tenants in the Long Duc Industrial Park, and we are currently improving some monitoring systems. In terms of progress in the distributed solar power generation business, we have partially commenced operations with 2.4 MW and achieved a cumulative contracted capacity of 12.9 MW.In addition to discussions with the factories of local group companies outside the industrial park to conclude contracts, we have also started sales to the industrial park operating companies themselves, and we will continue to contribute to the reduction of CO2 emissions in the Vietnamese market by collaborating with customers. Not applicable for measurement as quantities are insignificant.

Forests

(5.11.9.1) Type of stakeholder

Select from:

☑ Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Educate and work with stakeholders on understanding and measuring exposure to environmental risks

☑ Share information about your products and relevant certification schemes

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 51-75%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

In response to customer requests for engagement, the Sojitz Group engages in such activities as appropriate sharing of information on suppliers, in the hope of increasing orders through stronger customer relations.

(5.11.9.6) Effect of engagement and measures of success

We are engaging with customers in the hope of increasing orders through stronger relations, and we are taking initiatives such as expanding the handling of certified products. No clear effect has been seen yet.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Investors and shareholders

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Sojitz is working to curb fossil fuel-based power generation and stabilize the grid in emerging countries by expanding decentralized solar power projects through engagement activities leveraging its business investments. Vietnam declared its carbon neutrality goal by 2050 at COP26. The 8th National Power Development Plan targets 67.5%-71.5% renewable energy by 2050, but currently relies on coal for about half of its power supply. Despite growing electricity demand, the halt in new thermal power plants due to decarbonization efforts has left challenges in securing power sources. In summer, industrial parks near Hanoi have faced power reduction and emergency saving requests, leading to tight power supply situations. Expanding decentralized solar power in countries like Vietnam, which face more supply-side issues than Japan, is a solution. Challenges include dispersed customers. We collaborate with industrial park companies, the national power company, and local government officials to accelerate adoption by targeting broader areas within industrial parks, not just individual points. In the first phase, Sojitz subsidiary SOL ENERGY will install over 10,000 kW of solar power at Long Doc Industrial Park, Dong Nai Province, Vietnam. This will reduce CO2 emissions by 9,200 tons annually. The

generated electricity will be supplied to customers and the industrial park, with surplus power being shared within the park. This will enhance the use of renewable energy and contribute to the decarbonization of the industrial park. The Vietnamese market was chosen for its large proportion of overseas offices (11%) and alignment with national power policies, allowing wide customer reach. Sojitz is also expanding DSPG in Indonesia. In 2022, it established Surya Nippon Nusantara (SNN) to develop rooftop solar businesses. Sojitz plans to install 100 MWp of solar power by 2030 at the Greenland International Industrial Center in Deltamus City.

(5.11.9.6) Effect of engagement and measures of success

In order to expand the distributed solar power generation business by utilizing business investments, we have set a target of starting operation of distributed solar power generation at the Long Doc Industrial Park and expanding the conclusion of PPA agreements in FY23. Approximately 70 customers of the Long Duc Industrial Park were introduced to the distributed solar power generation business through monthly regular meetings and individual interviews within the park, where we continuously explained the significance of adopting renewable energy. As a result of the subsequent survey, 48% of the respondents expressed interest in visualizing GHG emissions, and some companies began installing smart meters to monitor utilities in real time. In the future, we are considering installing smart meters for all land-purchased tenants in the Long Duc Industrial Park, and we are currently improving some monitoring systems. In terms of progress in the distributed solar power generation business, we have partially commenced operations with 2.4 MW and achieved a cumulative contracted capacity of 12.9 MW.In addition to discussions with the factories of local group companies outside the industrial park to conclude contracts, we have also started sales to the industrial park operating companies themselves, and we will continue to contribute to the reduction of CO2 emissions in the Vietnamese market by collaborating with customers. Not applicable for measurement as quantities are insignificant.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

☑ Other value chain stakeholder, please specify **:**The national power company, and local government officials

(5.11.9.2) Type and details of engagement

Education/Information sharing

☑ Share information on environmental initiatives, progress and achievements

(5.11.9.3) % of stakeholder type engaged

Select from:

☑ 1-25%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

☑ None

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

Sojitz is working to curb fossil fuel-based power generation and stabilize the grid in emerging countries by expanding decentralized solar power projects through engagement activities leveraging its business investments. Vietnam declared its carbon neutrality goal by 2050 at COP26. The 8th National Power Development Plan targets 67.5%-71.5% renewable energy by 2050, but currently relies on coal for about half of its power supply. Despite growing electricity demand, the halt in new thermal power plants due to decarbonization efforts has left challenges in securing power sources. In summer, industrial parks near Hanoi have faced power reduction and emergency saving requests, leading to tight power supply situations. Expanding decentralized solar power in countries like Vietnam, which face more supply-side issues than Japan, is a solution. Challenges include dispersed customers. We collaborate with industrial park companies, the national power company, and local government officials to accelerate adoption by targeting broader areas within industrial parks, not just individual points. In the first phase, Sojitz subsidiary SOL ENERGY will install over 10,000 kW of solar power at Long Doc Industrial Park, Dong Nai Province, Vietnam. This will reduce CO2 emissions by 9,200 tons annually. The generated electricity will be supplied to customers and the industrial park, with surplus power being shared within the park. This will enhance the use of renewable energy and contribute to the decarbonization of the industrial park. The Vietnamese market was chosen for its large proportion of overseas offices (11%) and alignment with national power policies, allowing wide customer reach. Sojitz is also expanding DSPG in Indonesia. In 2022, it established Surya Nippon Nusantara (SNN) to develop rooftop solar businesses. Sojitz plans to install 100 MWp of solar power by 2030 at the Greenland International Industrial Center in Deltamus City.

(5.11.9.6) Effect of engagement and measures of success

In order to expand the distributed solar power generation business by utilizing business investments, we have set a target of starting operation of distributed solar power generation at the Long Doc Industrial Park and expanding the conclusion of PPA agreements in FY23. Approximately 70 customers of the Long Duc Industrial Park were introduced to the distributed solar power generation business through monthly regular meetings and individual interviews within the park, where we continuously explained the significance of adopting renewable energy. As a result of the subsequent survey, 48% of the respondents expressed interest in visualizing GHG emissions, and some companies began installing smart meters to monitor utilities in real time. In the future, we are considering installing smart meters for all land-purchased tenants in the Long Duc Industrial Park, and we are currently improving some monitoring systems. In terms of progress in the distributed solar power generation business, we have partially commenced operations with 2.4 MW and achieved a cumulative contracted capacity of 12.9 MW.In addition to discussions with the factories of local group companies outside the industrial park to conclude contracts, we have also started sales to the industrial park operating companies themselves, and we will continue to contribute to the reduction of CO2 emissions in the Vietnamese market by collaborating with customers. Not applicable for measurement as quantities are insignificant.

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Sojitz Corporation chose the operational control approach because it enables us to accurately identify and appropriately report greenhouse gas emissions from activities under our direct operational control when calculating environmental performance data. The operational control approach covers emissions from businesses and facilities where Sojitz has operational decision-making authority and substantial control. This approach clarifies responsibility and accountability for emissions reductions and makes it more effective in developing and implementing sustainable management strategies. Specifically, Sojitz collects and aggregates data on direct emissions (Scope 1) and indirect emissions (Scope 2) from business sites operated and managed by Sojitz to the extent that it can be judged that they are under complete monitoring. While the financial management approach calculates emissions based on investment ratio, the operational management approach calculates emissions based on actual operational control. This allows Sojitz to take direct measures to reduce its environmental impact, enabling more effective environmental management. Sojitz is responsible for assessing the environmental impact of its business activities, setting specific reduction targets, and implementing measures to achieve these targets. By adopting operations management methods, it is possible to more accurately grasp the status of progress toward environmental targets and to facilitate efforts to reduce our environmental impact.

Forests

(6.1.1) Consolidation approach used

Select from:

☑ Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

Sojitz Corporation chose the Operational Control approach when responding to the CDP questionnaire because it allows the company to accurately identify and properly

report environmental performance data from activities under its direct operational control. [Fixed row]

C7. Environmental performance - Climate Change

(7.1) Is this your first year of reporting emissions data to CDP?

Select from:
☑ No

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

(7.1.1.1) Has there been a structural change?

Select all that apply
☑ Yes, an acquisition
☑ Yes, a divestment

(7.1.1.2) Name of organization(s) acquired, divested from, or merged with

Acquisition: Silaba Motors/DaiTanViet/TRY/Ellis Air Group, Divestment: Several Retail properties/Residential properties.

(7.1.1.3) Details of structural change(s), including completion dates

Total investment amount in FY2023 was 206 billion yen, while total divestment amount was 106 billion yen. During MTP2023, Sojitz group has executed 447.5 billion yen against the set target of 450 billion yen.
[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply ☑ No

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

(7.1.3.1) Base year recalculation

Select from:

☑ Yes

(7.1.3.2) Scope(s) recalculated

Select all that apply

☑ Scope 1

☑ Scope 2, location-based

☑ Scope 3

(7.1.3.3) Base year emissions recalculation policy, including significance threshold

The scope of CO2 emissions measurement was revised to include Sojitz Corporation on a non-consolidated basis, all domestic and overseas consolidated subsidiaries, and unincorporated JVs that are subject to reporting under the management control approach, and base year and historical emissions figures were recalculated.

(7.1.3.4) Past years' recalculation

Select from:

☑ Yes

[Fixed row]

(7.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Select all that apply

☑ Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

☑ The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

(7.3) Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
	Select from: ☑ We are reporting a Scope 2, location-based figure	*Select from:* ☑ We are reporting a Scope 2, market-based figure	*Starting in FY2023, SCOPE2 emission measurements based on market standards is disclosed.*

[Fixed row]

(7.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

Select from:

☑ No

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

03/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

969775

(7.5.3) Methodological details

The scope of the measurement was defined as the headquarters and subsidiaries.

Scope 2 (location-based)

(7.5.1) Base year end

03/31/2020

(7.5.2) Base year emissions (metric tons CO2e)

152108

(7.5.3) Methodological details

The scope of the measurement was defined as the headquarters and subsidiaries.

Scope 2 (market-based)

(7.5.1) Base year end

03/31/2020

(7.5.3) Methodological details

At base year, only location-based Scope 2 was calculated. Market-based Scope 2 at base year doesn't exist.

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

In power field supply chains, emissions related to the mining of thermal coal interests are generally recorded as Scope 3 in Category 1. However, as Sojitz Group conducts interest businesses as its trade, these interests are not recorded in Category 1 but as Scope 1 and Scope 2 emissions.

Scope 3 category 2: Capital goods

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

137

(7.5.3) Methodological details

Thermal coal interests related to Scope 3.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

10950

(7.5.3) Methodological details

Thermal coal interests related to Scope 3.

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

Transportation-related information is summarized in Category 9.

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Not applicable for measurement as quantities are insignificant.

Scope 3 category 6: Business travel

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Not applicable for measurement as quantities are insignificant.

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Not applicable for measurement as quantities are insignificant.

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

There are no upstream lease assets in thermal coal interest sector, and these assets are therefore not relevant.

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

53942

(7.5.3) Methodological details

Thermal coal interests related to Scope 3.

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Sales products are not processed and are therefore not relevant in thermal coal interests.

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

5041155

(7.5.3) Methodological details

Thermal coal interests related to Scope 3.

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Not applicable for measurement as quantities are insignificant.

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

There are no downstream lease assets in thermal coal interest sector, and these assets are therefore not relevant.

Scope 3 category 14: Franchises

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

There are no franchises thermal coal interest sector, and franchises are therefore not relevant.

Scope 3 category 15: Investments

(7.5.1) Base year end

03/31/2019

(7.5.2) Base year emissions (metric tons CO2e)

638089

(7.5.3) Methodological details

Thermal coal interests related to Scope 3.

Scope 3: Other (upstream)

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Not applicable

Scope 3: Other (downstream)

(7.5.1) Base year end

03/31/2019

(7.5.3) Methodological details

Not applicable
[Fixed row]

(7.6) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?

	Gross global Scope 1 emissions (metric tons CO2e)	Methodological details
Reporting year	*577458*	*The scope of the measurement was defined as the headquarters and subsidiaries.*

[Fixed row]

(7.7) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

	Gross global Scope 2, location-based emissions (metric tons CO2e)	Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)	Methodological details
Reporting year	*207278*	*204475*	*The scope of the measurement was defined as the headquarters and subsidiaries.*

[Fixed row]

(7.8) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

7664922

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by multiplying the global procurement cost and volume of products handled by the Sojitz Group in its core businesses such as power generation, steelmaking,

chemical, and food and livestock businesses etc..., by the emissions intensity specified in the Ministry of the Environment guidelines.

Capital goods

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

47878

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by multiplying the acquisition cost of the Sojitz Group's investment in fixed assets on a consolidated basis for the reporting year by the Ministry of the Environment's Emissions Factor Database.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

141477

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Fuel-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by multiplying the Sojitz Group's fuel, heat, and electricity consumption by the emissions intensity specified in the Ministry of the Environment's guidelines.

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

3655460

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

CO2 emissions in logistics are calculated based on the Manual for GHG Emissions Accounting, Reporting, and Disclosure systems published by Japanese Ministry of the Environment and Ministry of Economy, Trade and Industry, which covers cargo transportation in which Sojitz is the cargo owner.

Waste generated in operations

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

961

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by multiplying waste processed by the consolidated companies by the emissions factor by the Ministry of the Environment's guidelines.

Business travel

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

743

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by classifying flights to/from Japan used by Sojitz employees on business trips into six regions, calculating the emissions per kilometer/person based on the distance to each representative airport, and multiplying the result by the emissions factor published by the Ministry of the Environment.

Employee commuting

(7.8.1) Evaluation status

Select from:

☑ Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1718

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by classifying Sojitz employees' commuting expenses by means of commuting (railway and bus) and multiplying the emissions factor of the Ministry of the Environment's guidelines for each.

Upstream leased assets

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

0

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

The emissions relevant to this category are calculated under Scope 1 and Scope 2.

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

8847

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Distance-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Due to the nature of our business, CO2 emissions from downstream transportation and logistics in our company are extremely limited, and most of the emissions from transportation are included in the calculations for Category 4.

Processing of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, not yet calculated

(7.8.5) Please explain

We consider that this category is relevant to our business and have roughly estimated its emission (mainly in the paper business), but detailed calculations of emissions are currently underway and will be updated soon when the results are available.

Use of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

22272583

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated by multiplying the annual sales volume of products handled by the Sojitz Group's main businesses (such as power generation, steelmaking, chemicals, food and livestock operations, etc.) by the emissions factor specified in the Ministry of the Environment guidelines.

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

9060127

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated based on the weight data of raw materials for packaging materials that become waste, multiplied by the emissions factor of the Ministry of the Environment's guidelines.

Downstream leased assets

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

Since CO2 emissions from leased assets leased by the Sojitz Group are extremely small compared to other categories, this category is not considered relevant.

Franchises

(7.8.1) Evaluation status

Select from:
☑ Not relevant, explanation provided

(7.8.5) Please explain

We don't operate any franchise businesses.

Investments

(7.8.1) Evaluation status

Select from:

☑ Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

1921282

(7.8.3) Emissions calculation methodology

Select all that apply

☑ Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

Calculated as the sum of the amount of fuel and electricity used by the equity companies multiplied by the emissions factor, and the amount of mining of the equity interests multiplied by the emissions factor, in proportion to our investment share.

Other (upstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable.

Other (downstream)

(7.8.1) Evaluation status

Select from:

☑ Not relevant, explanation provided

(7.8.5) Please explain

Not applicable
[Fixed row]

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	*Select from:* ☑ Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	*Select from:* ☑ Third-party verification or assurance process in place
Scope 3	*Select from:* ☑ Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.1.2) Status in the current reporting year

Select from:
☑ Complete

(7.9.1.3) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.1.4) Attach the statement

(7.9.1)Assurance for Scope1.pdf

(7.9.1.5) Page/section reference

P1

(7.9.1.6) Relevant standard

Select from:
☑ ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

☑ Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:

☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:

☑ Limited assurance

(7.9.2.5) Attach the statement

(7.9.2) Assurance for Scope2.pdf

(7.9.2.6) Page/ section reference

P1

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:
☑ Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:
☑ Annual process

(7.9.2.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.2.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.2.5) Attach the statement

(7.9.2) Assurance for Scope2.pdf

(7.9.2.6) Page/ section reference

P1

(7.9.2.7) Relevant standard

Select from:

☑ ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100
[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

☑ Scope 3: Franchises
☑ Scope 3: Investments
☑ Scope 3: Capital goods
☑ Scope 3: Business travel
☑ Scope 3: Employee commuting
☑ Scope 3: Waste generated in operations
☑ Scope 3: End-of-life treatment of sold products
☑ Scope 3: Upstream transportation and distribution
☑ Scope 3: Downstream transportation and distribution
☑ Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
☑ Scope 3: Use of sold products
☑ Scope 3: Upstream leased assets
☑ Scope 3: Downstream leased assets
☑ Scope 3: Processing of sold products
☑ Scope 3: Purchased goods and services

(7.9.3.2) Verification or assurance cycle in place

Select from:

☑ Annual process

(7.9.3.3) Status in the current reporting year

Select from:
☑ Complete

(7.9.3.4) Type of verification or assurance

Select from:
☑ Limited assurance

(7.9.3.5) Attach the statement

(7.9.3)Assurance for Scope3(r).pdf

(7.9.3.6) Page/section reference

P1

(7.9.3.7) Relevant standard

Select from:
☑ ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

46
[Add row]

(7.10) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Select from:
☑ Decreased

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

2552

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

0.266

(7.10.1.4) Please explain calculation

2,552ton-CO2e 5,915,097kwh increase in renewable energy generation 0.434 (Japan's electricity coefficient for 2023, Source: IEA) 【Formula】 Change in renewable energy consumption attributed to the reason described in column 1: 2,552 t-CO2 Previous year Scope12 emissions: 958,084t-CO2 Emissions value (percentage) Change in renewable energy consumption attributed to the reason described in column1 Previous year Scope12emissions) 100 (2,552/958,084) x1000.266%

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO2e)

4380

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.457

(7.10.1.4) Please explain calculation

Emission reduction effect resulting from energy-saving activities 【Formula】 Other emissions reduction activities attributed to the reason described in column 1: -4,380 t-CO2 Previous year Scope12 emissions: 958,084 t-CO2 Emissions value (percentage) (Other emissions reduction activities attributed to the reason described in column1 Previous year Scope12 emissions) 100 (-4,380/958,084) x100 -0.457%

Divestment

(7.10.1.1) Change in emissions (metric tons CO2e)

172034

(7.10.1.2) Direction of change in emissions

Select from:

☑ Decreased

(7.10.1.3) Emissions value (percentage)

17.957

(7.10.1.4) Please explain calculation

Sold off several companies. 【Formula】 Other emissions reduction activities attributed to the reason described in column 1: -172,034 t-CO2 Previous year Scope12 emissions: 958,084t-CO2 Emissions value (percentage) (Other emissions reduction activities attributed to the reason described in column1 Previous year Scope12emissions) 100 (-172,034/958,084) x100 -17.957%

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

39685

(7.10.1.2) Direction of change in emissions

Select from:

☑ Increased

(7.10.1.3) Emissions value (percentage)

4.142

(7.10.1.4) Please explain calculation

We bought some companies. 【Formula】 Acquisitions attributed to the reason increased in column 1: 39,685 t-CO2 Previous year Scope12 emissions: 958,084t-CO2 Emissions value (percentage) (Change in renewable energy consumption attributed to the reason described in column1 Previous year Scope12emissions) 100 (39,685/958,084) x100 4.142%

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

-

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

39422

(7.10.1.2) Direction of change in emissions

Select from:
☑ Decreased

(7.10.1.3) Emissions value (percentage)

0.433

(7.10.1.4) Please explain calculation

Decrease in production due to global logistical disruptions and reduced demand in the market. 【Formula】 Other emissions reduction activities attributed to the reason described in column 1: -39,422 t-CO2 Previous year Scope12 emissions: 958,084 t-CO2 Emissions value (percentage) (Other emissions reduction activities attributed to the reason described in column1 Previous year Scope12 emissions) 100 (-39,422/958,084) x100 -0.433%

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

-

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

-

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

-

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

-

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:
☑ No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

-
[Fixed row]

(7.10.2) Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Select from:
☑ Location-based

(7.12) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Select from:
☑ No

(7.15) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Select from:
☑ No

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Australia

(7.16.1) Scope 1 emissions (metric tons CO2e)

94657

(7.16.2) Scope 2, location-based (metric tons CO2e)

36747

(7.16.3) Scope 2, market-based (metric tons CO2e)

35270

Belgium

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

2

(7.16.3) Scope 2, market-based (metric tons CO2e)

2

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

20

(7.16.2) Scope 2, location-based (metric tons CO2e)

159

(7.16.3) Scope 2, market-based (metric tons CO2e)

159

Canada

(7.16.1) Scope 1 emissions (metric tons CO2e)

8190

(7.16.2) Scope 2, location-based (metric tons CO2e)

855

(7.16.3) Scope 2, market-based (metric tons CO2e)

855

Cayman Islands

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

3

(7.16.3) Scope 2, market-based (metric tons CO2e)

3

Chile

(7.16.1) Scope 1 emissions (metric tons CO2e)

148

(7.16.2) Scope 2, location-based (metric tons CO2e)

239

(7.16.3) Scope 2, market-based (metric tons CO2e)

239

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

23

(7.16.2) Scope 2, location-based (metric tons CO2e)

2772

(7.16.3) Scope 2, market-based (metric tons CO2e)

2772

Egypt

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

2

(7.16.3) Scope 2, market-based (metric tons CO2e)

2

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

52

(7.16.2) Scope 2, location-based (metric tons CO2e)

209

(7.16.3) Scope 2, market-based (metric tons CO2e)

22

Guam

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

11

(7.16.3) Scope 2, market-based (metric tons CO2e)

11

Hong Kong SAR, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

22

(7.16.3) Scope 2, market-based (metric tons CO2e)

22

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

150

(7.16.2) Scope 2, location-based (metric tons CO2e)

73

(7.16.3) Scope 2, market-based (metric tons CO2e)

73

Indonesia

(7.16.1) Scope 1 emissions (metric tons CO2e)

365939

(7.16.2) Scope 2, location-based (metric tons CO2e)

4819

(7.16.3) Scope 2, market-based (metric tons CO2e)

4819

Japan

(7.16.1) Scope 1 emissions (metric tons CO2e)

38219

(7.16.2) Scope 2, location-based (metric tons CO2e)

24530

(7.16.3) Scope 2, market-based (metric tons CO2e)

24007

Kenya

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

4

(7.16.3) Scope 2, market-based (metric tons CO2e)

4

Malaysia

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

12

(7.16.3) Scope 2, market-based (metric tons CO2e)

12

Mexico

(7.16.1) Scope 1 emissions (metric tons CO2e)

248

(7.16.2) Scope 2, location-based (metric tons CO2e)

52

(7.16.3) Scope 2, market-based (metric tons CO2e)

52

Myanmar

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

55

(7.16.3) Scope 2, market-based (metric tons CO2e)

55

Netherlands

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

10

(7.16.3) Scope 2, market-based (metric tons CO2e)

10

Nigeria

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

3

(7.16.3) Scope 2, market-based (metric tons CO2e)

3

Philippines

(7.16.1) Scope 1 emissions (metric tons CO2e)

28676

(7.16.2) Scope 2, location-based (metric tons CO2e)

8039

(7.16.3) Scope 2, market-based (metric tons CO2e)

8039

Puerto Rico

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

31

(7.16.3) Scope 2, market-based (metric tons CO2e)

31

Republic of Korea

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

6

(7.16.3) Scope 2, market-based (metric tons CO2e)

6

Russian Federation

(7.16.1) Scope 1 emissions (metric tons CO2e)

235

(7.16.2) Scope 2, location-based (metric tons CO2e)

1147

(7.16.3) Scope 2, market-based (metric tons CO2e)

1147

Singapore

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

29

(7.16.3) Scope 2, market-based (metric tons CO2e)

29

Taiwan, China

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

11

(7.16.3) Scope 2, market-based (metric tons CO2e)

11

Thailand

(7.16.1) Scope 1 emissions (metric tons CO2e)

20696

(7.16.2) Scope 2, location-based (metric tons CO2e)

5867

(7.16.3) Scope 2, market-based (metric tons CO2e)

5867

Ukraine

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

7

(7.16.3) Scope 2, market-based (metric tons CO2e)

7

United Arab Emirates

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

2

(7.16.3) Scope 2, market-based (metric tons CO2e)

2

United Kingdom of Great Britain and Northern Ireland

(7.16.1) Scope 1 emissions (metric tons CO2e)

0

(7.16.2) Scope 2, location-based (metric tons CO2e)

4

(7.16.3) Scope 2, market-based (metric tons CO2e)

4

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

7686

(7.16.2) Scope 2, location-based (metric tons CO2e)

10212

(7.16.3) Scope 2, market-based (metric tons CO2e)

9596

Viet Nam

(7.16.1) Scope 1 emissions (metric tons CO2e)

12519

(7.16.2) Scope 2, location-based (metric tons CO2e)

111344

(7.16.3) Scope 2, market-based (metric tons CO2e)

111344
[Fixed row]

(7.17) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.17.1) Break down your total gross global Scope 1 emissions by business division.

Row 1

(7.17.1.1) Business division

Automotive Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

1581

Row 2

(7.17.1.1) Business division

Aerospace, Transportation & Infrastructure Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

9615

Row 3

(7.17.1.1) Business division

Energy Solution & Healthcare Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

29552

Row 4

(7.17.1.1) Business division

Metals, Mineral Resources & Recycling Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

94811

Row 5

(7.17.1.1) Business division

Chemicals Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

369231

Row 6

(7.17.1.1) Business division

Consumer Industry & Agriculture Business Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

61227

Row 7

(7.17.1.1) Business division

Retail & Consumer Service Division

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

11171

Row 8

(7.17.1.1) Business division

Others

(7.17.1.2) Scope 1 emissions (metric ton CO2e)

271
[Add row]

(7.20) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

Select all that apply
☑ By business division

(7.20.1) Break down your total gross global Scope 2 emissions by business division.

Row 1

(7.20.1.1) Business division

Automotive Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

5522

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

5432

Row 2

(7.20.1.1) Business division

Aerospace, Transportation & Infrastructure Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

935

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

952

Row 3

(7.20.1.1) Business division

Energy Solution & Healthcare Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

2811

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

2753

Row 4

(7.20.1.1) Business division

Metals, Mineral Resources & Recycling Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

35346

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

33814

Row 5

(7.20.1.1) Business division

Chemicals Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

14432

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

13570

Row 6

(7.20.1.1) Business division

Consumer Industry & Agriculture Business Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

117907

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

117526

Row 7

(7.20.1.1) Business division

Retail & Consumer Service Division

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

26323

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

26946

Row 8

(7.20.1.1) Business division

Others

(7.20.1.2) Scope 2, location-based (metric tons CO2e)

4002

(7.20.1.3) Scope 2, market-based (metric tons CO2e)

3482
[Add row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

577458

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

207278

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

204475

(7.22.4) Please explain

Starting in FY2023, SCOPE2 emission measurements based on market standards is disclosed.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

All of Scope 1 and 2 only belong to Consolidated account group.
[Fixed row]

(7.23) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Select from:
☑ Yes

(7.23.1) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Row 1

(7.23.1.1) Subsidiary name

Sojitz Foods Corporation

(7.23.1.2) Primary activity

Select from:
☑ Animal products wholesale

(7.23.1.3) Select the unique identifier you are able to provide for this subsidiary

Select all that apply
☑ No unique identifier

(7.23.1.12) Scope 1 emissions (metric tons CO2e)

0

(7.23.1.13) Scope 2, location-based emissions (metric tons CO2e)

111

(7.23.1.14) Scope 2, market-based emissions (metric tons CO2e)

108

(7.23.1.15) Comment

From FY2023, Scope 2, market based emissions were measured and disclosed as well.
[Add row]

(7.29) What percentage of your total operational spend in the reporting year was on energy?

Select from:
☑ More than 0% but less than or equal to 5%

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	*Select from:* ☑ Yes
Consumption of purchased or acquired electricity	*Select from:* ☑ Yes
Consumption of purchased or acquired heat	*Select from:* ☑ Yes

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of purchased or acquired steam	*Select from:* ☑ Yes
Consumption of purchased or acquired cooling	*Select from:* ☑ Yes
Generation of electricity, heat, steam, or cooling	*Select from:* ☑ Yes

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

2853871

(7.30.1.4) Total (renewable and non-renewable) MWh

2853871

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

24729

(7.30.1.3) MWh from non-renewable sources

715260

(7.30.1.4) Total (renewable and non-renewable) MWh

739989

Consumption of purchased or acquired heat

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Consumption of purchased or acquired steam

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

25952

(7.30.1.4) Total (renewable and non-renewable) MWh

25952

Consumption of purchased or acquired cooling

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

9112

(7.30.1.4) Total (renewable and non-renewable) MWh

9112

Total energy consumption

(7.30.1.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

33842

(7.30.1.3) MWh from non-renewable sources

3595083

(7.30.1.4) Total (renewable and non-renewable) MWh

3628925
[Fixed row]

(7.30.6) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	*Select from:* ☑ Yes
Consumption of fuel for the generation of heat	*Select from:* ☑ Yes
Consumption of fuel for the generation of steam	*Select from:* ☑ No
Consumption of fuel for the generation of cooling	*Select from:* ☑ No
Consumption of fuel for co-generation or tri-generation	*Select from:* ☑ No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

-

Other biomass

(7.30.7.1) Heating value

Select from:

☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

-

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

-

Coal

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

78895

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

78895

(7.30.7.8) Comment

-

Oil

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

585030

(7.30.7.3) MWh fuel consumed for self-generation of electricity

100068

(7.30.7.4) MWh fuel consumed for self-generation of heat

484962

(7.30.7.8) Comment

-

Gas

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

2189966

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

21899966

(7.30.7.8) Comment

-

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.3) MWh fuel consumed for self-generation of electricity

0

(7.30.7.4) MWh fuel consumed for self-generation of heat

0

(7.30.7.8) Comment

-

Total fuel

(7.30.7.1) Heating value

Select from:
☑ Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

2853892

(7.30.7.3) MWh fuel consumed for self-generation of electricity

100068

(7.30.7.4) MWh fuel consumed for self-generation of heat

2753824

(7.30.7.8) Comment

-
[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

63633

(7.30.9.2) Generation that is consumed by the organization (MWh)

3290

(7.30.9.3) Gross generation from renewable sources (MWh)

27234

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

3290

Heat

(7.30.9.1) Total Gross generation (MWh)

2753824

(7.30.9.2) Generation that is consumed by the organization (MWh)

2753824

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:
☑ Japan

(7.30.14.2) Sourcing method

Select from:
☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:
☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:
☑ Renewable energy mix, please specify :太陽光、風力、水力、原子力、バイオマスなど

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

5863

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Japan

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

-

Row 2

(7.30.14.1) Country/area

Select from:

☑ Germany

(7.30.14.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1490

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Germany

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

-

Row 3

(7.30.14.1) Country/area

Select from:

☑ United States of America

(7.30.14.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Renewable energy mix, please specify :太陽光、風力、バイオマス、原子力など

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1961

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ United States of America

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

-

Row 4

(7.30.14.1) Country/area

Select from:

☑ Australia

(7.30.14.2) Sourcing method

Select from:

☑ Retail supply contract with an electricity supplier (retail green electricity)

(7.30.14.3) Energy carrier

Select from:

☑ Electricity

(7.30.14.4) Low-carbon technology type

Select from:

☑ Solar

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

6303

(7.30.14.6) Tracking instrument used

Select from:

☑ Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

☑ Australia

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

☑ No

(7.30.14.10) Comment

-

[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Australia

(7.30.16.1) Consumption of purchased electricity (MWh)

54460

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

54460.00

Belgium

(7.30.16.1) Consumption of purchased electricity (MWh)

4

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4.00

Brazil

(7.30.16.1) Consumption of purchased electricity (MWh)

1053

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1053.00

Canada

(7.30.16.1) Consumption of purchased electricity (MWh)

7245

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

7245.00

Cayman Islands

(7.30.16.1) Consumption of purchased electricity (MWh)

6

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

6.00

Chile

(7.30.16.1) Consumption of purchased electricity (MWh)

641

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

641.00

China

(7.30.16.1) Consumption of purchased electricity (MWh)

4624

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4624.00

Eygpt

(7.30.16.1) Consumption of purchased electricity (MWh)

4

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4.00

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

590

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

590.00

Guam

(7.30.16.1) Consumption of purchased electricity (MWh)

26

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

26.00

Hong Kong SAR, China

(7.30.16.1) Consumption of purchased electricity (MWh)

22

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

22.00

India

(7.30.16.1) Consumption of purchased electricity (MWh)

103

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

103.00

Indonesia

(7.30.16.1) Consumption of purchased electricity (MWh)

6239

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

6239.00

Japan

(7.30.16.1) Consumption of purchased electricity (MWh)

56112

(7.30.16.2) Consumption of self-generated electricity (MWh)

402

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

56514.00

Kenya

(7.30.16.1) Consumption of purchased electricity (MWh)

8

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

8.00

Malaysia

(7.30.16.1) Consumption of purchased electricity (MWh)

28

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

28.00

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

126

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

126.00

Myanmar

(7.30.16.1) Consumption of purchased electricity (MWh)

126

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

126.00

Netherlands

(7.30.16.1) Consumption of purchased electricity (MWh)

22

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

22.00

Nigeria

(7.30.16.1) Consumption of purchased electricity (MWh)

7

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

7.00

Philippines

(7.30.16.1) Consumption of purchased electricity (MWh)

11493

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

11493.00

Puerto Rico

(7.30.16.1) Consumption of purchased electricity (MWh)

71

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

71.00

Republic of Korea

(7.30.16.1) Consumption of purchased electricity (MWh)

14

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

14.00

Russian Federation

(7.30.16.1) Consumption of purchased electricity (MWh)

3151

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

3151.00

Singapore

(7.30.16.1) Consumption of purchased electricity (MWh)

67

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

67.00

Taiwan, China

(7.30.16.1) Consumption of purchased electricity (MWh)

24

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

24.00

Thailand

(7.30.16.1) Consumption of purchased electricity (MWh)

10734

(7.30.16.2) Consumption of self-generated electricity (MWh)

1877

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

12611.00

Ukraine

(7.30.16.1) Consumption of purchased electricity (MWh)

16

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

16.00

United Arab Emirates

(7.30.16.1) Consumption of purchased electricity (MWh)

4

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

4.00

United Kingdom of Great Britain and Northern Ireland

(7.30.16.1) Consumption of purchased electricity (MWh)

10

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

10472

(7.30.16.2) Consumption of self-generated electricity (MWh)

981

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

25952

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

37405.00

Viet Nam

(7.30.16.1) Consumption of purchased electricity (MWh)

138745

(7.30.16.2) Consumption of self-generated electricity (MWh)

31

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

138776.00
[Fixed row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

3.25e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

784736

(7.45.3) Metric denominator

Select from:
☑ unit total revenue

(7.45.4) Metric denominator: Unit total

2414649000000

(7.45.5) Scope 2 figure used

Select from:
☑ Location-based

(7.45.6) % change from previous year

14

(7.45.7) Direction of change

Select from:

☑ Decreased

(7.45.8) Reasons for change

Select all that apply

☑ Change in renewable energy consumption

(7.45.9) Please explain

The electricity consumption from solar power has increased at our subsidiary in Thailand.

Row 2

(7.45.1) Intensity figure

3.238e-7

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

781933

(7.45.3) Metric denominator

Select from:

☑ unit total revenue

(7.45.4) Metric denominator: Unit total

2414649000000

(7.45.5) Scope 2 figure used

Select from:

☑ Market-based

(7.45.6) % change from previous year

0

(7.45.7) Direction of change

Select from:
☑ No change

(7.45.8) Reasons for change

Select all that apply
☑ Unidentified

(7.45.9) Please explain

Measurement of market-based Scope 2 was started from FY2023.
[Add row]

(7.53) Did you have an emissions target that was active in the reporting year?

Select all that apply
☑ Absolute target

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:
☑ Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

02/26/2021

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

03/31/2020

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

979348

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

152108

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1131456.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/30/2031

(7.53.1.55) Targeted reduction from base year (%)

60

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

452582.400

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

577458

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

204475

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

781933.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

51.49

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

FY2019 serves as the base year, with Sojitz and consolidated subsidiaries included in the scope. The base year's data has been revised to reflect a revision of the boundary of data collection.

(7.53.1.83) Target objective

Sojitz Corporation has set reduction targets for Scope 1, Scope 2, and Scope 3 emissions with the purpose of contributing to the global transition towards carbon neutrality and addressing the urgent issue of global warming. Recognizing the importance of shifting from conventional energy use and supply to greener alternatives, Sojitz is committed to transforming its operations to align with the increasing demand for sustainable energy solutions. The primary objectives for setting these targets

are twofold. Firstly, to increase business resilience by accelerating CO2 emission reductions within Sojitz Group's existing operations, preparing for the inevitable shift to a decarbonized society. Secondly, to view the transition toward decarbonization as an opportunity for growth and innovation across various business sectors. By embracing this transition, Sojitz aims to create "value for society" through contributions to decarbonization, while simultaneously generating new "value for Sojitz" in the form of revenue opportunities.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In terms of Scope 1 and 2, we are confirming response measures and implementation schedules together with our group companies with the highest emissions and introducing renewable energy for certain businesses.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

Row 2

(7.53.1.1) Target reference number

Select from:

☑ Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

02/26/2021

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

☑ Scope 3, Category 2 – Capital goods

☑ Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)

☑ Scope 3, Category 9 – Downstream transportation and distribution

☑ Scope 3, Category 11 – Use of sold products

☑ Scope 3, Category 15 – Investments

(7.53.1.11) End date of base year

03/31/2019

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

137

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

10950

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

53942

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

5041155

(7.53.1.28) Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

638089

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

5744273.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

5744273.000

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year

emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.49) Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/30/2031

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

947

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

7346

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

0

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

11962667

(7.53.1.73) Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

1471140

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

13442100.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

13442100.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

-134.01

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

Applicable to Scope 3 emissions from thermal coal interests. Setting 2018 as the base year, we aim to reduce these interests to half or less by 2025 (based on book value) and to zero by 2030. If thermal coal interests are reduced to zero, annual Scope 3 emissions from thermal coal interests will also total zero.

(7.53.1.83) Target objective

Sojitz Corporation has set reduction targets for Scope 1, Scope 2, and Scope 3 emissions with the purpose of contributing to the global transition towards carbon neutrality and addressing the urgent issue of global warming. Recognizing the importance of shifting from conventional energy use and supply to greener alternatives, Sojitz is committed to transforming its operations to align with the increasing demand for sustainable energy solutions. The primary objectives for setting these targets are twofold. Firstly, to increase business resilience by accelerating CO2 emission reductions within Sojitz Group's existing operations, preparing for the inevitable shift to a decarbonized society. Secondly, to view the transition toward decarbonization as an opportunity for growth and innovation across various business sectors. By embracing this transition, Sojitz aims to create "value for society" through contributions to decarbonization, while simultaneously generating new "value for Sojitz" in the form of revenue opportunities.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In terms of thermal coal interests, we have achieved our goal of reducing these interests to half or less by 2025 ahead of schedule. In addition, we will conduct assessments to get an overall view of Sojitz Group's Scope 3 emissions. In particular, we are measuring Scope 3 beginning with the power generation sector, which has high CO2 emissions and large-scale impacts on our businesses.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ Yes

Row 3

(7.53.1.1) Target reference number

Select from:

☑ Abs 3

(7.53.1.2) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.53.1.5) Date target was set

02/26/2021

(7.53.1.6) Target coverage

Select from:

☑ Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.53.1.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

☑ Market-based

(7.53.1.11) End date of base year

03/31/2020

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

979348

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

152108

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1131456.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

03/30/2051

(7.53.1.55) Targeted reduction from base year (%)

100

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

0.000

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

577458

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

204475

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

781933.000

(7.53.1.78) Land-related emissions covered by target

Select from:

☑ No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

30.89

(7.53.1.80) Target status in reporting year

Select from:

☑ Underway

(7.53.1.82) Explain target coverage and identify any exclusions

FY2019 serves as the base year, with Sojitz and consolidated subsidiaries included in the scope. The base year's data has been revised to reflect a revision of the boundary of data collection.

(7.53.1.83) Target objective

Sojitz Corporation has set reduction targets for Scope 1, Scope 2, and Scope 3 emissions with the purpose of contributing to the global transition towards carbon neutrality and addressing the urgent issue of global warming. Recognizing the importance of shifting from conventional energy use and supply to greener alternatives, Sojitz is committed to transforming its operations to align with the increasing demand for sustainable energy solutions. The primary objectives for setting these targets are twofold. Firstly, to increase business resilience by accelerating CO2 emission reductions within Sojitz Group's existing operations, preparing for the inevitable shift to a decarbonized society. Secondly, to view the transition toward decarbonization as an opportunity for growth and innovation across various business sectors. By embracing this transition, Sojitz aims to create "value for society" through contributions to decarbonization, while simultaneously generating new "value for Sojitz" in the form of revenue opportunities.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

In terms of Scope 1 and 2, we are confirming response measures and implementation schedules together with our group companies with the highest emissions and introducing renewable energy for certain businesses.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

☑ No

[Add row]

(7.54) Did you have any other climate-related targets that were active in the reporting year?

Select all that apply

☑ Net-zero targets

☑ Other climate-related targets

(7.54.2) Provide details of any other climate-related targets, including methane reduction targets.

Row 1

(7.54.2.1) Target reference number

Select from:

☑ Oth 1

(7.54.2.2) Date target was set

02/26/2021

(7.54.2.3) Target coverage

Select from:

☑ Business division

(7.54.2.4) Target type: absolute or intensity

Select from:

☑ Absolute

(7.54.2.5) Target type: category & Metric (target numerator if reporting an intensity target)

Fossil fuel reduction target

☑ Other fossil fuel reduction target, please specify **:**Thermal coal interest assets

(7.54.2.7) End date of base year

03/31/2019

(7.54.2.8) Figure or percentage in base year

100

(7.54.2.9) End date of target

03/30/2031

(7.54.2.10) Figure or percentage at end of date of target

0

(7.54.2.11) Figure or percentage in reporting year

4.1

(7.54.2.12) % of target achieved relative to base year

95.9000000000

(7.54.2.13) Target status in reporting year

Select from:

☑ Underway

(7.54.2.15) Is this target part of an emissions target?

Yes, applicable to the aforementioned emissions target Abs2

(7.54.2.16) Is this target part of an overarching initiative?

Select all that apply

☑ No, it’s not part of an overarching initiative

(7.54.2.18) Please explain target coverage and identify any exclusions

Using FY2018 as the base year, reduce thermal interest assets to half or less by 2025 and zero by 2030. Target deadline moved to earlier date from the previously announced goal of thermal coal interests to half or less by 2030.

(7.54.2.19) Target objective

Sojitz Corporation has set a target to zero out its general coal interests by 2030 as part of its commitment to addressing the social challenge of global warming and contributing to the transition towards a carbon-neutral society. This target aligns with Sojitz's corporate philosophy to "create new value and a prosperous future," maximizing value both for the company and society. Recognizing the global shift from traditional energy use and supply to greener alternatives, Sojitz aims to increase its resilience to a decarbonized society by reducing CO2 emissions from existing operations and viewing the societal shift as an opportunity to develop new, wide-ranging businesses. This proactive approach allows Sojitz to build "value for society" by contributing to the realization of a decarbonized society and simultaneously creating "value for Sojitz" through diverse revenue opportunities in the process.

(7.54.2.20) Plan for achieving target, and progress made to the end of the reporting year

In line with our policy of reducing our thermal coal assets, Sojitz sold its 10% stake in Moolarben Coal Mine, a thermal coal mine located in New South Wales, Australia, to a wholly owned subsidiary of project partner Yancoal Australia Ltd., for AUD 300 million in March 2020. As a result, Sojitz is making steady progress in reducing its thermal coal interests to zero by 2030. Thermal coal interests (based on book value) are from 49 billion in FY2018 to 2 billion in FY2023.
[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:
☑ NZ1

(7.54.3.2) Date target was set

02/26/2021

(7.54.3.3) Target Coverage

Select from:
☑ Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply
☑ Abs1
☑ Abs3

(7.54.3.5) End date of target for achieving net zero

03/30/2051

(7.54.3.6) Is this a science-based target?

Select from:

☑ No, and we do not anticipate setting one in the next two years

(7.54.3.8) Scopes

Select all that apply

☑ Scope 1

☑ Scope 2

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

☑ Carbon dioxide (CO2)

(7.54.3.10) Explain target coverage and identify any exclusions

FY2019 is set as the base year, and Scope 1 and 2 for existing businesses (non-consolidated and consolidated subsidiaries) are applicable

(7.54.3.11) Target objective

Sojitz Corporation has set a target to zero out its general coal interests by 2030 as part of its commitment to addressing the social challenge of global warming and contributing to the transition towards a carbon-neutral society. This target aligns with Sojitz's corporate philosophy to "create new value and a prosperous future," maximizing value both for the company and society. Recognizing the global shift from traditional energy use and supply to greener alternatives, Sojitz aims to increase its resilience to a decarbonized society by reducing CO2 emissions from existing operations and viewing the societal shift as an opportunity to develop new, wide-ranging businesses. This proactive approach allows Sojitz to build "value for society" by contributing to the realization of a decarbonized society and simultaneously creating "value for Sojitz" through diverse revenue opportunities in the process.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

☑ Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

☑ No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

☑ Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

Sojitz Group recognizes its responsibility to reduce Scope1 and Scope2 emissions as it develops a wide range of businesses. For all existing businesses acquired prior to April 2020, Sojitz aims to reduce overall emissions by 60% before 2030, which includes reaching net zero emissions for Scope2. For Sojitz businesses acquired from April 2020 onwards, we aim to achieve net zero emissions by 2050.

(7.54.3.17) Target status in reporting year

Select from:

☑ Underway

(7.54.3.19) Process for reviewing target

At Sojitz, the progress of targets is regularly reported to management so that they can be reviewed quickly when a review is necessary.
[Add row]

(7.55) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Select from:

☑ Yes

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	*6*	*`Numeric input*
To be implemented	*5*	*103829*
Implementation commenced	*0*	*0*
Implemented	*4*	*1426*
Not to be implemented	*0*	*`Numeric input*

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Low-carbon energy generation

☑ Solar PV

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

1426

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

☑ Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:
☑ Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

43358583

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

0

(7.55.2.7) Payback period

Select from:
☑ No payback

(7.55.2.8) Estimated lifetime of the initiative

Select from:
☑ 1-2 years

(7.55.2.9) Comment

-
[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:
☑ Employee engagement

(7.55.3.2) Comment

We established the Sojitz Group Environmental Policy and implemented e-learning, in-house training, and other activities to educate employees.
[Add row]

(7.74) Do you classify any of your existing goods and/or services as low-carbon products?

Select from:
☑ Yes

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:
☑ Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:
☑ The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Power
☑ Solar PV

(7.74.1.4) Description of product(s) or service(s)

By leveraging the knowledge we have gained through the development and operation of solar, onshore and offshore wind, and biomass power generation projects in Japan and overseas, we aim to further expand our business amid the global shift toward decarbonization. To this end, we will proactively promote business development

in growth markets and offer supply services in response to demand for renewable energy from companies that have joined the RE100 initiative as well as from other companies. Sojitz operates 14 renewable energy plants around the world (including 9 in Japan and 5 overseas). Sojitz and ENEOS Corporation held an on-site opening ceremony on September 28th, 2023 for Edenvale Solar Park, a joint solar power generation project in Queensland, Australia. Edenvale Solar Park marks Sojitz and ENEOS' first large-scale solar project in Australia with an installed capacity of 204MW(DC: Direct Current), and Edenvale represents one of the largest solar project in Australia to be undertaken by Japanese companies. Construction on Edenvale Solar Park began in June 2021. The opening ceremony in September 2023 was held to celebrate reaching rated output at the solar farm.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

☑ Yes

(7.74.1.6) Methodology used to calculate avoided emissions

Select from:

☑ Other, please specify **:**IEA's 1.5-degree scenario (IEA NZE 2050)

(7.74.1.7) Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Select from:

☑ Use stage

(7.74.1.8) Functional unit used

Net Power-Generation Capacity (renewable energy) FY2023 Results: 380MW, FY2024 Forecast: 440MW

(7.74.1.9) Reference product/service or baseline scenario used

World Thermal Power Intensity in 2022 published by IEA [832 g/kWh]

(7.74.1.10) Life cycle stage(s) covered for the reference product/service or baseline scenario

Select from:

☑ Use stage

(7.74.1.11) Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or

baseline scenario

719770

(7.74.1.12) Explain your calculation of avoided emissions, including any assumptions

A comparison was made between the benchmark(832g-CO2/kWh) and intensity metrics for our company's renewable energy businesses(zero), and renewable energy generation volumes were then multiplied.

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

1
[Add row]

(7.79) Has your organization canceled any project-based carbon credits within the reporting year?

Select from:
☑ No

C8. Environmental performance - Forests

(8.1) Are there any exclusions from your disclosure of forests-related data?

	Exclusion from disclosure
Timber products	*Select from:* ☑ No

[Fixed row]

(8.2) Provide a breakdown of your disclosure volume per commodity.

	Disclosure volume (metric tons)	Volume type	Sourced volume (metric tons)
Timber products	*2431000*	*Select all that apply* ☑ Sourced	*2431000*

[Fixed row]

(8.5) Provide details on the origins of your sourced volumes.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Viet Nam

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

PHU THO HA GIANG LAM DONG BINH DINH DONG NAI QUANG NAM THUA THIEN HUE PHU YEN CA MAU TUYEN QUANG BAC GIANG HOA BINH VINH PHUC LANG SON DA NANG QUANG TRI HA TINH DAK LAK BINH THUAN BA RIA VUNG TAU NGHE AN QUANG NINH THAI NGUYEN QUANG BINH BINH DUONG

(8.5.4) Volume sourced from country/area of origin (metric tons)

1467000

(8.5.5) Source

Select all that apply

☑ Independent smallholders

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Japan

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Hokkaido, Aomori, Akita, Iwate, Miyagi, Fukushima, Gunma, Shizuoka, Gifu, Wakayama, Ehime, Kumamoto, Miyazaki

(8.5.4) Volume sourced from country/area of origin (metric tons)

473000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Australia

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

WEIN STEIEMARK OBEROSTERREICH

(8.5.4) Volume sourced from country/area of origin (metric tons)

132000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ New Zealand

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

BAY OF PLENTY REGION NELSON REGION

(8.5.4) Volume sourced from country/area of origin (metric tons)

76000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Indonesia

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

ACHE SEMATERA UTARA RIAU JAMBI SEMATERA SELATAN JAVA BARAT JAVA TENGAH JAVA TUMUR KALIMANTAN BARAT KALIMANTAN TENGAH KALIMANTAN TIMUR KALIMANTAN SELATAN SULAWESI SELATAN SULAWESI UTARA GORONTALO MALUKU

(8.5.4) Volume sourced from country/area of origin (metric tons)

57000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Malaysia

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

SARAWAK SABAH PAHAN KEDAH JOHOR KELANTAN TERENGGANU

(8.5.4) Volume sourced from country/area of origin (metric tons)

52000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Canada

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

BRITISH COLUMBIA

(8.5.4) Volume sourced from country/area of origin (metric tons)

42000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ United States of America

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

WASHINGTON OREGON CALIFORNIA

(8.5.4) Volume sourced from country/area of origin (metric tons)

40000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Austria

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

WEIN STEIEMARK OBEROSTERREICH

(8.5.4) Volume sourced from country/area of origin (metric tons)

24000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ China

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

GUANGDONG GUANGXI ZHUANG A.R. JIANGSU JILIN YUNNAN LIAONING ANHUI

(8.5.4) Volume sourced from country/area of origin (metric tons)

22000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Finland

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

LAPPI SATAKUNTA KESKI-SUOMI ETELA-KARJALA PIRKANMAA

(8.5.4) Volume sourced from country/area of origin (metric tons)

18000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers

☑ Trader/broker/commodity market

☑ Contracted suppliers (processors)

☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.

Timber products

(8.5.1) Country/area of origin

Select from:

☑ Papua New Guinea

(8.5.2) First level administrative division

Select from:

☑ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

EAST NEW BRITAIN

(8.5.4) Volume sourced from country/area of origin (metric tons)

7000

(8.5.5) Source

Select all that apply

☑ Single contracted producer

☑ Multiple contracted producers
☑ Trader/broker/commodity market
☑ Contracted suppliers (processors)
☑ Contracted suppliers (manufacturers)

(8.5.7) Please explain

Every year, we send out a questionnaire based on a WWF checklist to wood-related suppliers to confirm supplier mapping and secure 100% traceability.
[Add row]

(8.7) Did your organization have a no-deforestation or no-conversion target, or any other targets for sustainable production/ sourcing of your disclosed commodities, active in the reporting year?

Timber products

(8.7.1) Active no-deforestation or no-conversion target

Select from:
☑ Yes, we have a no-conversion target

(8.7.2) No-deforestation or no-conversion target coverage

Select from:
☑ Organization-wide (including suppliers)

(8.7.5) Other active targets related to this commodity, including any which contribute to your no-deforestation or no-conversion target

Select from:
☑ Yes, we have other targets related to this commodity
[Fixed row]

(8.7.1) Provide details on your no-deforestation or no-conversion target that was active during the reporting year.

Timber products

(8.7.1.1) No-deforestation or no-conversion target

Select from:

☑ No-conversion

(8.7.1.2) Your organization's definition of "no-deforestation" or "no-conversion"

We will not handle wood obtained through logging methods which are detrimental to high conservation value forests, and we aim to build a supply chain which allows for no deforestation. "No deforestation" is defined as no conversion of natural forests and no damage to high conservation value forests. "Conversion of natural forests" is defined as the conversion of natural forests to tree plantations or other non-forest land use after December 31, 2020.

(8.7.1.3) Cutoff date

Select from:

☑ 2020

(8.7.1.4) Geographic scope of cutoff date

Select from:

☑ Applied globally

(8.7.1.5) Rationale for selecting cutoff date

Select from:

☑ In line with organizational commitments, because no sector- or region-wide cutoff date is available

(8.7.1.6) Target date for achieving no-deforestation or no-conversion

Select from:

☑ 2024

[Add row]

(8.7.2) Provide details of other targets related to your commodities, including any which contribute to your no-deforestation or no-conversion target, and progress made against them.

Timber products

(8.7.2.1) Target reference number

Select from:

☑ Target 1

(8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

Select from:

☑ No, this target is separate from our no-deforestation or no-conversion target

(8.7.2.3) Target coverage

Select from:

☑ Country/area/region

(8.7.2.4) Commodity volume covered by target (metric tons)

Select from:

☑ Other volume, please specify **:**The amount excluding those whose country of origin is Japan

(8.7.2.5) Category of target & Quantitative metric

Traceability

☑ % of volume traceable to traceability point

(8.7.2.6) Traceability point

Select from:

☑ Sourcing area, but not to production unit

(8.7.2.8) Date target was set

10/13/2016

(8.7.2.9) End date of base year

03/30/2017

(8.7.2.10) Base year figure

0.76

(8.7.2.11) End date of target

03/30/2021

(8.7.2.12) Target year figure

1

(8.7.2.13) Reporting year figure

1

(8.7.2.14) Target status in reporting year

Select from:

☑ Achieved and maintained

(8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Kunming-Montreal Global Biodiversity Framework

☑ Paris Agreement

☑ Sustainable Development Goals

(8.7.2.17) Explain target coverage and identify any exclusions

Quantity of wood that is at least 80% of the total purchase amount, excluding wood originating in Japan

(8.7.2.19) List the actions which contributed most to achieving or maintaining this target

We have not only surveyed direct suppliers, but also gone back to secondary and higher level suppliers. Our methods, under the supervision of WWF Japan, include "(1) traceability to the origin" and "(2) appropriateness of forest management" with environmental and social considerations. We have adopted WWF Japan's Forest Products Procurement Checklist as a tool to confirm "(1) traceability to the origin" and "(2) appropriateness of forest management" with environmental and social considerations, and the Sojitz Group customizes and utilizes it. In addition, a briefing session was held and WWF invited to give a presentation on the conservation status of forests of high conservation value, including from the perspective of biodiversity, and on its verification methods such as the identification of human rights issues, as stipulated in the above checklist. Sojitz's wood-related departments and wood-related subsidiaries participated in the briefing.

(8.7.2.20) Further details of target

Increase the handling of traceable wood to 100% by FY2020

Timber products

(8.7.2.1) Target reference number

Select from:

☑ Target 2

(8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

Select from:

☑ No, this target is separate from our no-deforestation or no-conversion target

(8.7.2.3) Target coverage

Select from:

☑ Country/area/region

(8.7.2.4) Commodity volume covered by target (metric tons)

Select from:

☑ Other volume, please specify **:**The amount excluding those whose country of origin is Japan

(8.7.2.5) Category of target & Quantitative metric

Natural ecosystem restoration and long-term protection

☑ Other natural ecosystem restoration and long-term protection target metric, please specify **:**% of the wood we handle is either certified wood (Level A), or wood that has not been certified, but that we have verified as being procured through environmentally/socially-conscious methods (Level B).

(8.7.2.8) Date target was set

02/25/2021

(8.7.2.9) End date of base year

03/30/2022

(8.7.2.10) Base year figure

0.92

(8.7.2.11) End date of target

03/30/2026

(8.7.2.12) Target year figure

1

(8.7.2.13) Reporting year figure

0.99

(8.7.2.14) Target status in reporting year

Select from:

☑ Underway

(8.7.2.15) % of target achieved relative to base year

87.50

(8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

Select all that apply

☑ Kunming-Montreal Global Biodiversity Framework

☑ Paris Agreement

☑ Sustainable Development Goals

(8.7.2.17) Explain target coverage and identify any exclusions

Quantity of wood that is at least 80% of the total purchase amount, excluding wood originating in Japan

(8.7.2.18) Plan for achieving target, and progress made to the end of the reporting year

Every year, among the Sojitz Group's approximately 1,500 wood-related suppliers, we select and survey wood that accounts for at least 80% of the total purchase amount as our priority survey target, taking into consideration factors such as the risk of the country of origin, the size of the purchase amount, and conformity with our policy. Our surveys trace back to secondary and higher level suppliers, not just to direct suppliers. The survey methods, under the supervision of WWF Japan, include "(1) traceability to the origin" and "(2) appropriateness of forest management" with environmental and social considerations. We have adopted WWF Japan's Forest Products Procurement Checklist as a tool to confirm "(1) traceability to the origin" and "(2) appropriateness of forest management" with environmental and social considerations, and the Sojitz Group customizes and utilizes it. In addition, a briefing session was held and WWF invited to give a presentation on the conservation status of forests of high conservation value, including from the perspective of biodiversity, and on its verification methods such as the identification of human rights issues, as stipulated in the above checklist. Sojitz's wood-related departments and wood-related subsidiaries participated in the briefing. We also take WWF Japan's advice about our goals. While maintaining 100% traceability, we have also made progress toward our goal of 100% handling of certified wood (level A) and non-certified wood that is environmentally and socially friendly (level B) by FY2025, achieving 99% in FY2023, 5% up from FY2022.

(8.7.2.20) Further details of target

Increase the handling of certified wood (level A) and non-certified wood that is environmentally and socially friendly (level B) to 100% by FY2025
[Add row]

(8.8) Indicate if your organization has a traceability system to determine the origins of your sourced volumes and provide details of the methods and tools used.

Timber products

(8.8.1) Traceability system

Select from:

☑ Yes

(8.8.2) Methods/tools used in traceability system

Select all that apply

☑ Value chain mapping

☑ Supplier engagement/communication

(8.8.3) Description of methods/tools used in traceability system

Under the supervision of WWF Japan, we survey and confirm "traceability to the origin" every year. We have adopted WWF Japan's Forest Products Procurement Checklist as a tool to confirm "traceability to the origin", and the Sojitz Group customizes and utilizes it. Among the Sojitz Group's approximately 1,500 wood-related suppliers, we have selected wood that accounts for at least 80% of the total purchase amount as our priority survey target, taking into consideration factors such as the risk of the country of origin, the size of the purchase amount, and conformity with our policy, and distribute and collect checklists, and Sojitz Group employees go on-site to conduct interviews and confirm the results. In our surveys, we verify documents that prove traceability, and check local conditions to evaluate the probability of traceability. The compiled results are reported to the Sustainability Committee, chaired by the CEO, for instructions as necessary. The compiled results are also posted on the Sojitz Group's website. The Group has ensured 100% traceability for six consecutive years from FY2018 through FY2023. In order to ensure the objectivity of survey results, since FY2020 we have obtained a third-party guarantee from KPMG AZSA Sustainability Co., Ltd. that the survey results on wood procurement (imported timber) have been calculated according to standards set by Sojitz, based on an evaluation by Sojitz using the WWF's Forest Products Procurement Checklist.
[Fixed row]

(8.8.1) Provide details of the point to which your organization can trace its sourced volumes.

Timber products

(8.8.1.1) % of sourced volume traceable to production unit

80

(8.8.1.2) % of sourced volume traceable to sourcing area and not to production unit

20

(8.8.1.3) % sourced volume traceable to country/area of origin and not to sourcing area or production unit

0

(8.8.1.4) % of sourced volume traceable to other point (i.e., processing facility/first importer) not in the country/area of origin

0

(8.8.1.5) % of sourced volume from unknown origin

0

(8.8.1.6) % of sourced volume reported

100.00
[Fixed row]

(8.9) Provide details of your organization's assessment of the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of its disclosed commodities.

Timber products

(8.9.1) DF/DCF status assessed for this commodity

Select from:

☑ Yes, deforestation- and conversion-free (DCF) status assessed

(8.9.2) % of disclosure volume determined as DF/DCF in the reporting year

23

(8.9.3) % of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance

5

(8.9.4) % of disclosure volume determined as DF/DCF through monitoring of production unit

0

(8.9.5) % of disclosure volume determined as DF/DCF through monitoring of sourcing area

18

(8.9.6) Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?

Select from:

☑ Yes

[Fixed row]

(8.9.1) Provide details of third-party certification schemes used to determine the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of the disclosure volume, since specified cutoff date.

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Chain-of-custody certification

☑ FSC Chain-of-Custody certification (any type)

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

5

(8.9.1.3) Comment

The Sojitz Group has obtained FSC CoC certification, a requirement for DC/DFC, and is audited by a certification body to maintain its certification. The Group's share of FSC-certified wood procurement is approximately 5%.

(8.9.1.4) Certification documentation

8.9.1FSC.pdf
[Add row]

(8.9.2) Provide details of third-party certification schemes not providing full DF/DCF assurance.

Timber products

(8.9.2.1) Third-party certification scheme not providing full DF/DCF assurance

Chain-of-custody certification

☑ PEFC Chain-of-Custody (any type)

(8.9.2.2) % of disclosure volume certified through scheme not providing full DF/DCF assurance

18

(8.9.2.3) Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance

Select all that apply

☑ Third-party certification providing full DF/DCF assurance

(8.9.2.4) Comment

Items confirming no deforestation and no conversion (DCF) are added to the questionnaire that suppliers are required to fill out. Suppliers are encouraged to obtain certification.

(8.9.2.5) Certification documentation

8.9.2PEFC.pdf
[Add row]

(8.9.4) Provide details of the sourcing area monitoring used to determine deforestation-free (DF) or deforestation- and conversion-free (DCF) status of volumes since specified cutoff date.

Timber products

(8.9.4.1) % of disclosure volume determined as DF/DCF through monitoring of deforestation and conversion within the sourcing area

18.00

(8.9.4.2) Monitoring approach used for determining that sourcing areas have no or negligible risk of deforestation or conversion

Select all that apply
☑ Other, please specify **:**We have confirmed PEFC certification.

(8.9.4.3) Description of approach, including frequency of assessment

The Sojitz Group has obtained PEFC CoC certification related to for DC/DFC, and is audited by a certification body to maintain its certification. The Group's share of PEFC-certified wood procurement is approximately 18%.
[Fixed row]

(8.10) Indicate whether you have monitored or estimated the deforestation and conversion of other natural ecosystems footprint for your disclosed commodities.

	Monitoring or estimating your deforestation and conversion footprint
Timber products	*Select from:* ☑ Yes

[Fixed row]

(8.10.1) Provide details on the monitoring or estimating of your deforestation and conversion footprint.

Timber products

(8.10.1.1) Monitoring and estimating your deforestation and conversion footprint

Select from:

☑ We monitor the deforestation and conversion footprint in our value chain

(8.10.1.2) % of disclosure volume monitored or estimated

100

(8.10.1.3) Reporting of deforestation and conversion footprint

Select all that apply

☑ Since a specified cutoff date

(8.10.1.4) Year of cutoff date

2020

(8.10.1.6) Known or estimated deforestation and conversion footprint since the specified cutoff date (hectares)

0

(8.10.1.9) Describe the methods and data sources used to monitor or estimate your deforestation and conversion footprint

In March 2024, the Sojitz Group formulated a "no deforestation, no forest conversion" (DCF) policy. No survey was conducted for the reporting year (2023), so the known or estimated footprint of deforestation and conversion was zero. Since FY2024, supplier surveys have been used to identify the known or estimated footprint of deforestation and conversion.
[Add row]

(8.11) For volumes not assessed and determined as deforestation- and conversion-free (DCF), indicate if you have taken actions in the reporting year to increase production or sourcing of DCF volumes.

	Actions taken to increase production or sourcing of DCF volumes
Timber products	*Select from:* ☑ Yes

[Fixed row]

(8.11.1) Provide details of actions taken in the reporting year to assess and increase production/sourcing of deforestation- and conversion-free (DCF) volumes.

Timber products

(8.11.1.1) Action type

Select from:
☑ Increasing sourcing area level monitoring

(8.11.1.2) % of disclosure volume that is covered by this action

77

(8.11.1.3) Indicate whether you had any major barriers or challenges related to this action in the reporting year

Select from:

☑ No

(8.11.1.4) Main measures identified to manage or resolve the challenges

Select all that apply

☑ Greater customer awareness

☑ Greater stakeholder engagement and collaboration

☑ Greater supplier awareness/engagement

☑ Increased knowledge on commodity driven deforestation, forest degradation and/or conversion

☑ Improvement in data collection and quality

(8.11.1.5) Provide further details on the actions taken, their contribution to achieving DCF status, and any related barriers or challenges

We have revised our Wood Procurement Policy and added that we aim to build a supply chain which allows for no deforestation. "No deforestation" is defined as no conversion of natural forests and no damage to high conservation value forests. "Conversion of natural forests" is defined as the conversion of natural forests to tree plantations or other non-forest land use after December 31, 2020. In response to this, items confirming no deforestation and no conversion (DCF) are added to the questionnaire that suppliers are required to fill out, and We are evaluating DF/DCF from the 2024 survey.
[Add row]

(8.14) Indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards, and provide details.

(8.14.1) Assess legal compliance with forest regulations

Select from:

☑ Yes, from suppliers

(8.14.2) Aspects of legislation considered

Select all that apply

☑ Labor rights
☑ Land use rights
☑ Third parties' rights
☑ Environmental protection
☑ Tax, anti-corruption, trade and customs regulations
☑ Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting
☑ The principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples

(8.14.3) Procedure to ensure legal compliance

Select all that apply

☑ Certification
☑ Third party tools
☑ First party audits
☑ Third party audits
☑ Third party databases
☑ Supplier self-declaration

(8.14.5) Please explain

The Sojitz Group utilizes WWF Japan's Forest Products Procurement Checklist as a tool for surveying and evaluating suppliers. Among the Sojitz Group's approximately 1,500 wood-related suppliers, we have selected wood that accounts for at least 80% of the total purchase amount as our priority survey target, taking into consideration factors such as the risk of the country of origin, the size of the purchase amount, and conformity with our policy, and distribute and collect checklists, and Sojitz Group employees go on-site to conduct interviews. In surveys, we confirm the implementation of the requirements of the certification system for certified wood, and obtain evidence of legality for non-certified wood and check its existence and validity against other official information, taking advice from WWF Japan as appropriate.
[Fixed row]

(8.15) Do you engage in landscape (including jurisdictional) initiatives to progress shared sustainable land use goals?

	Engagement in landscape/jurisdictional initiatives
	Select from: ☑ Yes, we engage in landscape/jurisdictional initiatives

[Fixed row]

(8.15.1) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

(8.15.1.1) Criteria for prioritizing landscapes/jurisdictions for engagement

Select all that apply

☑ Response to regulation
☑ Risk of biodiversity loss
☑ Risk of human rights issues
☑ Commodity sourcing footprint
☑ Stakeholder/investor request
☑ Risk of supplier non-compliance in area
☑ Risk of issues related to land tenure rights
☑ Opportunity to protect and restore natural ecosystems
☑ Risk of deforestation, forests/land degradation, or conversion of other natural ecosystems

(8.15.1.2) Explain your process for prioritizing landscapes/jurisdictions for engagement

1.Legality We will not handle wood obtained through illegal logging. 2.Environmental Consideration We will not handle wood obtained through logging methods which are detrimental to high conservation value forests, and we aim to build a supply chain which allows for no deforestation. 3.Social Consideration In view of logging's potential to adversely impact human rights, we will seek to mitigate any negative impact associated with wood procurement. In order to promote wood procurement in accordance with this policy, we cooperate with not only suppliers, but also various stakeholders, thereby achieving sustainable wood procurement and increasing social value. In addition to compliance with various regulations, environmental concerns must also be sufficiently addressed to ensure that natural ecosystems and forest lands are not damaged, while social concerns require that the rights of residents and workers, including indigenous peoples, are adequately secured. We have selected the criteria listed on the left because establishing a three-party cooperative system will help avoid the risk of noncompliance by suppliers and enable us to promote more reliable and sustainable wood procurement.
[Fixed row]

(8.15.2) Provide details of your engagement with landscape/jurisdictional initiatives to sustainable land use during the reporting year.

Row 1

(8.15.2.1) Landscape/jurisdiction ID

Select from:
☑ LJ1

(8.15.2.2) Name of initiative

Plywood from plantation trees (Falcataria)

(8.15.2.3) Country/area

Select from:
☑ Indonesia

(8.15.2.4) Name of landscape or jurisdiction area

Lumajang Jawa Timur

(8.15.2.6) Indicate if you can provide the size of the area covered by the initiative

Select from:
☑ Yes

(8.15.2.7) Area covered by the initiative (ha)

3000

(8.15.2.8) Type of engagement

Select all that apply

☑ Convener: Leads or facilitates the design, set-up, and high-level management of the initiative

☑ Partner: Shares responsibility with other stakeholders to manage and implement actions.

(8.15.2.9) Engagement start year

2015

(8.15.2.10) Engagement end year

Select from:

☑ Not defined

(8.15.2.11) Estimated investment over the project period

0

(8.15.2.12) Landscape goals supported by engagement

Environmental

☑ Avoided deforestation/conversion of other natural ecosystems and/or decreased degradation rate

☑ Natural ecosystems conserved and/or restored

Social

☑ Implementation of livelihood activities/practices that reduce pressure on forests

☑ Income diversification amongst producers in area

☑ Increased rate of employment in the rural economy

Production

☑ Increased adoption of sustainable production practices (e.g., input use efficiency and water management practices)

☑ Sustainability of other natural resource-based production sectors promoted to and recognized by relevant stakeholders (e.g. mining, natural forest management and non-extractive uses)

(8.15.2.13) Organization actions supporting initiative

Participate in planning and multi-stakeholder alignment

☑ Co-design and develop goals, strategies and an action plan with timebound targets and milestones for the initiative

☑ Help establish a transparent governance platform responsible for managing the initiative and its activities with clear roles, responsibilities and balanced decision-making

Build community and multi-stakeholder capacities

☑ Engage stakeholders on importance of conservation, restoration and/or rehabilitation

Link value chain action to landscape/jurisdictional initiative through private sector collaboration

☑ Collaborate on commodity traceability

☑ Use preferential sourcing to support landscape/jurisdictional initiatives that are demonstrating progress

(8.15.2.14) Type of partners engaged in the initiative design and implementation

Select all that apply

☑ Local communities

☑ Producers

☑ Private sector

(8.15.2.15) Description of engagement

Sojitz Building Materials Corporation, a wholly-owned consolidated company of the Sojitz Group, launched its KEEP EARTH brand of plywood made completely from Falcataria planted trees in cooperation with Indonesian company Semeru. The company became the first in Japan to acquire JAS certification for all Falcataria planted trees in 2015, signed an agency agreement with Semeru in March 2016, and acquired trademark registration for KEEP EARTH in 2017. Initially, Sojitz Building Materials was unable to establish the market it wanted for KEEP EARTH, but as of 2023, it has been adopted by major home improvement stores, house manufacturers, and building materials manufacturers, making it one of the company's main products. Falcataria is a fast-growing tree that can be grown from seed and harvested in five to seven years. We are actively using these plantation trees for sustainable reforestation and ecosystem maintenance.

(8.15.2.16) Collective monitoring framework used to measure progress towards landscape goals and actions

Select from:

☑ Yes, progress is monitored using an internally defined framework

(8.15.2.17) State the achievements of your engagement so far and how progress is monitored

Sojitz Building Materials has been developing customers with high needs of environmental consciousness, such as building material manufacturers and house manufacturers, as well as customers with high quality requirements. At the same time, it has been conducting sales activities to home improvement stores and secondary processors, which have high economic efficiency needs, while working to improve and stabilize its product quality in the local Indonesian market. Sojitz Building Materials' marketing strategy for KEEP EARTH is to thoroughly differentiate it from other brands, the idea being that "it makes no sense to be second or third in the same industry which has already started selling hybrid products of natural wood and plantation wood." For this reason, the company set out with the eventual goal of having all plantation wood JAS plywood, rather than taking the strategy of increasing the value of KEEP EARTH gradually. KEEP EARTH was launched at a time when there was no market for all plantation wood plywood, so the company was initially unable to establish the market it wanted. However, it has now been adopted by major home improvement stores, house manufacturers, and building materials manufacturers, making it one of Sojitz Building Materials' main products, contributing to sustainable reforestation and ecosystem maintenance. The next theme is to establish recycling-oriented business using Life Cycle Assessment (LCA), which has extremely high environmental value. Planting Tree growth (CO2 absorption) Harvesting Plywood production (CO2 fixation) Sales Replanting. The company will contribute to the expansion of tree-planting activities and create a business scheme that benefits the global environment, initially with Falcataria trees in Indonesia before moving on to other tree species and regions.

(8.15.2.18) Claims made

Select from:

☑ No, we are not making any claims, and we do not plan to within the next two years

[Add row]

(8.15.3) For each of your disclosed commodities, provide details on the disclosure volume from each of the landscapes/jurisdictions you engage in.

Row 1

(8.15.3.1) Landscape/jurisdiction ID

Select from:

☑ LJ1

(8.15.3.2) Does any of your produced and/or sourced commodity volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?

Select from:

☑ Yes, we do produce/source from this landscape/jurisdiction, and we are able/willing to disclose volume data

(8.15.3.3) Commodity

Select from:

☑ Timber products

(8.15.3.4) % of disclosure volume from this landscape/jurisdiction

1

[Add row]

(8.16) Do you participate in any other external activities to support the implementation of policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains?

Select from:

☑ Yes

(8.16.1) Provide details of the external activities to support the implementation of your policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains

Row 1

(8.16.1.1) Commodity

Select all that apply

☑ Timber products

(8.16.1.2) Activities

Select all that apply

☑ Involved in industry platforms

☑ Engaging with non-governmental organizations

(8.16.1.3) Country/area

Select from:

☑ Not applicable

(8.16.1.4) Subnational area

Select from:

☑ Not applicable

(8.16.1.5) Provide further details of the activity

The United Nations Global Compact (UNGC) advocates and encourages companies to pursue sustainable growth through responsible and creative leadership. Sojitz Corporation endorses this objective and has been working to put it into practice since joining the UNGC in April 2009. Based on the Sojitz Group CSR Action Guidelines for Supply Chains on the handling of wood products, Sojitz Corporation established its Wood Procurement Policy in September 2015 to promote responsible wood procurement. The Sojitz Group not only obtains FSC and PEFC CoC certification for its own group companies, but also encourages its suppliers and customers to obtain forest certification. Its goal is to increase the use of certified wood and non-certified wood that is environmentally and socially friendly to 100% by FY2025. In addition, when evaluating the environmental and social considerations of wood to be procured, we check the information on verified procurement areas provided by FSC and Transparency International. At seminars organized by environmental NGOs WWF Japan and FOE, and at meetings held separately with each client company, we conduct enlightenment activities to encourage companies to procure wood sustainably for global environmental conservation, and spread the effectiveness of certified wood materials such as FSC and PEFC. Having obtained the CoC certification of FSC and PEFC, we are, through our Group activities, playing a role in increasing the market penetration of certified wood through CoC by spreading the acquisition of forest certification among our suppliers/sales partners.
[Add row]

(8.17) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

Select from:

☑ Yes

(8.17.1) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Row 1

(8.17.1.1) Project reference

Select from:

☑ Project 1

(8.17.1.2) Project type

Select from:

☑ Reforestation

(8.17.1.3) Expected benefits of project

Select all that apply

☑ Improvement to soil health

☑ Protection of human rights

☑ Improvement to sustainability of production practices

☑ Improvement of standard of living, especially for vulnerable and/or marginalized groups

☑ Compliance with regulation

☑ Compliance with certification

☑ Creation of green jobs and sustainable livelihoods

(8.17.1.4) Is this project originating any carbon credits?

Select from:

☑ No

(8.17.1.5) Description of project

Sojitz regards the global environment as one of the most important management issues, striving to balance economic development with global environmental conservation through all of our business activities. As part of these efforts, we have invested in overseas afforestation projects targeting raw materials for papermaking, and are jointly participating with Oji Paper, a partner of QPFL, in a plantation project in Vietnam. QPFL (Quy Nhon Plantation Forest Company of Vietnam Ltd.), a joint venture of Sojitz Corporation, Oji Paper Co., Ltd., and Dai Nippon Printing Co., Ltd., conducts tree-planting business in Vietnam, and has obtained forest management (FM) certification from the FSC (Forest Stewardship Council), an international forest certification organization headquartered in Germany. The first company in Vietnam to acquire FSC forest certification, QPFL has simultaneously acquired CoC (Chain of Custody) certification for the production management of FSC-certified wood. This afforestation project is FSC-certified in all processes from planting to harvesting, chip production, and export. The project planted acacia and eucalyptus trees on treeless hilly and mountainous land in Binh Dinh Province, central Vietnam, with the aim of securing raw materials for hardwood chips. The harvest cycle was seven

years, with harvesting beginning in July 2002. Acacia trees have been replanted on the site. Land for planting is leased from the Binh Dinh Provincial People's Committee, and planting and logging operations are mainly outsourced to timber corporation PISICO (Binh Dinh Production Investment Service Import-Export Company) in Binh Dinh Province. Raw timber is processed into chips, all of which is exported to Japan. The project has been recognized for its contribution to Vietnam's forestry sector, receiving the Minister of Planning and Investment Award and Binh Dinh Province Governor's Award in 2005.

(8.17.1.6) Where is the project taking place in relation to your value chain?

Select all that apply

☑ Project based in sourcing area(s)

(8.17.1.7) Start year

1995

(8.17.1.8) Target year

Select from:

☑ Indefinitely

(8.17.1.9) Project area to date (Hectares)

9750.26

(8.17.1.10) Project area in the target year (Hectares)

9750.26

(8.17.1.11) Country/Area

Select from:

☑ Viet Nam

(8.17.1.12) Latitude

13.776

(8.17.1.13) Longitude

109.224

(8.17.1.14) Monitoring frequency

Select from:

☑ Annually

(8.17.1.15) Total investment over the project period (currency)

0

(8.17.1.16) For which of your expected benefits are you monitoring progress?

Select all that apply

☑ Compliance with certification

☑ Compliance with regulation

☑ Improvement to sustainability of production practice

(8.17.1.17) Please explain

The project began planting acacia and eucalyptus trees on a total of 9,100 hectares of treeless hilly and mountainous land in Binh Dinh Province, central Vietnam, with the aim of securing raw materials for hardwood chips. The harvest cycle was seven years, with harvesting beginning in July 2002. Acacia trees have been replanted on the site. The result is that the total planted area has now reached 9,750.26 hectares, exceeding the initial target. QPFL (Quy Nhon Plantation Forest Company of Vietnam Ltd.), a tree-planting business, has obtained forest management (FM) certification from the FSC (Forest Stewardship Council), an international forest certification organization headquartered in Germany. The first company in Vietnam to acquire FSC forest certification, QPFL has simultaneously acquired CoC (Chain of Custody) certification for the production management of FSC-certified wood. This afforestation project is FSC-certified in all processes from planting to harvesting, chip production, and export. QPFL is one of the Sojitz Group's suppliers and so, in addition to our position as a shareholder, we verify the company's compliance with certifications and regulations, and sustainability of production activities through the regular annual surveys of our suppliers.
[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: ☑ Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

☑ Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

☑ Year on year change in absolute emissions (Scope 1 and 2)

(13.1.1.3) Verification/assurance standard

General standards

☑ ISAE 3000

(13.1.1.4) Further details of the third-party verification/assurance process

We ordered KPMG Azusa's limited third-party sustainability assurance for Sojitz Group's power consumption.

(13.1.1.5) Attach verification/assurance evidence/report (optional)

(7.9.3)Assurance for Scope3(r).pdf
[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

	Additional information	Attachment (optional)
	Supplementary information to question 4.6.1 Attachment could not be uploaded in 4.6.1	*4.6.1Sojitz Group CSR Action Guidelines for Supply Chains.pdf*

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

President & COO

(13.3.2) Corresponding job category

Select from:

☑ Chief Operating Officer (COO)

[Fixed row]