

Sustainability Goals under the Medium-term Management Plan 2020

For the "Promotion of Sustainability Management" as set forth in the 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 (Maximize the "Two types of Value," "Key Sustainability Issues")

As one approach, we have set "sustainability goals" for each Key Sustainability Issue (materiality) to achieve within the period of the Medium-term Management Plan 2020, Each goal is set to strategically increase sustainability through the promotion of various businesses and initiatives.

In establishing Key Sustainability Issues (materiality), we determined sustainability issues to prioritize by analyzing the operating environment, including the Paris Agreement and SDGs; as well as the internal environment, by considering trading company businesses and the unique characteristics of Sojitz; in order to bring to light "risks" and "opportunities" for Sojitz. Furthermore, we brought in an outside expert and held stakeholder dialogues, including objective analysis of the validity of these analyses. Through consideration of the importance to stakeholders, we then defined Key Sustainability Issues and set concrete measures for sustainability goals.

In working to achieve sustainability goals, each division along with corporate departments creates an annual action plan, and the president, as chairman of the Sustainability Committee, monitors the progress towards these goals. Furthermore, we disclose the results of each initiative annually to our stakeholders.

Key Sustainability Issues	Sustainability Goal	Business Area	Planned Approach
Environment (low-carbon, decarbonization)	Qualitatively grasp CO2 emissions from business activities	Company-wide	We will regularly and consistently conduct surveys of direct CO ² emissions from Sojitz Group business activities, and consider setting improvement goals for each sector.
			We will conduct an analysis of the volume and impact of CO2 emissions of Sojitz Group, including its value chain, based on a objective climate change scenario.
	Promote low-carbon businesses focused on decarbonization	Renewable energy	We will undertake the widespread use and expansion of renewable energy through development and business operation of solar power and wind power generation business, and sales of related facilities and equipment. We will also strive for investment in new renewable energy fields.
		Natural gas/LNG	In addition to development and business operation of natural gas and LNG generation business, which have relatively low CO2 emissions levels compared to fossil fuels, through investment in midstream businesses such as
		EV-related	We will contribute to promoting the widespread use of EV cars which do not emit CO2, through providing manufacturing equipment and raw materials, and by establishing new, related businesses.
	Contribute to creating a recycling society	Recycling	Sojitz is expanding the recycling business related to the wide range of products it handles, such as the reuse and sale of used parts from retired aircrafts, in order to promote reduction in CO2 emissions by doubling the lifecycle of products.
Low-carbon materials		By expanding sales of plant-based raw materials, which offset CO2 emissions resulting from combustion of the final product, we will contribute to the shift away from fossil fuel based raw materials and to the reduction of CO2.	

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Human Rights	Promote human rights and due diligence	Company-wide	For transactions of Sojitz overseas subsidiaries in high-risk countries with transaction amounts of 50 million yen or more, we ensure that 100% of suppliers have been made aware of the Sojitz Group Human Rights Policy. Furthermore, for Sojitz HQ transactions that take place in high-risk countries, we conduct risk surveys for 100% of suppliers that handle B2C products made under a labor intensive business approach.
Resources	Produce and supply resources at risk of depletion in the future	Food resources	We are contributing to securing food resources with a focus on future population growth, principally in the feed production and sales business, which require stable production and quality maintenance, and feed plant construction business.
		Water resources	Focused on developing countries with an expected increase in demand for water resources, we will strive to establish and expand businesses that provide a stable supply of domestic water.
		Marine product resources	Making use of the expertise acquired through the marine products business, we will take on the challenge of "whole cultivation," raising adult fish from artificially bred juvenile fish.
		Forestry resources	Strive for 100% traceability of the wood we handle by FY2020, and in the future, we will aim to ensure that 100% of the wood we handle is produced through suitable, environmentally/socially-conscious forest management.
Local Communities	Promote businesses that grow together with developing countries	Transportation and transport infrastructure	In the management business for our consigned airport, we will strive for smooth facility operations and an increase in the satisfaction of airport users. We will aim for a modal shift connected to reduction of CO2 in the railroad construction business focused on developing countries and railcar maintenance business, as well as the promotion of economic growth in local communities.
		Medical infrastructure	We will aim for the sound execution of hospital management in Turkey, and in the future, the development of businesses in other countries calling for an improvement in medical infrastructure.
		Urban infrastructure	Through the establishment of infrastructure forming the foundation for corporate business activities, such as our industrial park development and management business in developing countries, we will promote the overseas expansion of corporations and the development of local economies and industries in our countries of business.
		Initiatives that solve social problems	We will aim to establish and expand businesses that will solve the respective environmental and social problems in Japan and those of developed countries.
	Promote businesses that connect to solving problems in developed countries		
	Conduct social contribution activities in developing countries		In line with the fundamental perspective on social contribution, we will reassess our existing activities in Japan and abroad, and strive to establish new activities.
Human Resources	Develop future senior managers	Company-wide	We will properly choose candidates and create a system to plan the development of these employees. In addition to the standard group training for GMs and SMs, we will put into place and continually hold a training for selected employees to develop the strategic thinking abilities required to become a senior manager. In addition, we will implement a rotational system to enable employees to acquire experience in business management and decision making.
	Develop management-level employees		Regardless of age, we will provide opportunities and experiences to employees with strong desire and abilities, striving for the rapid development of the next generation of management-level employees.
	Develop employees that continue to take on challenges		We will continuously operate a goal management system that promotes taking on challenges, and conduct appraisals that properly evaluate these challenges. We will monitor the developmental progress of employees and organizations in taking on challenges, putting to use the 360° evaluation given to a portion of management employees and the results of the employee awareness survey,
	Acquire and promote the role of diverse human resources		We will promote diversity management that puts to use the unique traits of each employee in the organization, including work reforms to enable a diverse range of employees to be healthy in mind and body and to exercise their full potential. Furthermore, we will continue to ensure a work environment conducive to these goals.
	Increase productivity		We will continue to implement work reforms and diversity management, striving for an increase in efficiency of each employee and organization, and as laid out in the five guiding principles, take on new challenges and increase our speed and momentum.