

Message from the Chairman of the Board

I will continue to make dedicated efforts to increase the effectiveness and transparency of management and to help improve corporate value.



Norio Otsuka (Outside Director)
Chairman of the Board of Directors

One year has passed since I, an outside director, was appointed to the position of chairman of the Board of Directors. Over this year, the amount of time I have devoted to my duties at Sojitz has increased, and I feel that I have developed a closer relationship with Sojitz's management team. Notably, I have spent time sharing frank opinions with President Fujimoto about matters such as the overall composition of the Board of Directors and the steps we should take going forward. As we examined the ideal course for corporate governance at Sojitz, we have driven a gradual change in the composition of the Board. In 2020, the number of outside directors was increased from two to three, and this number was increased again to four in June 2021, leading to outside directors representing half of the members of the Board. When including Audit & Supervisory Board members, this means that a majority of Board members are outside officers. We have also seen improvements in terms of diversity, with three of these outside officers being women and the overall range of the ages of Board members being quite broad. The Board of Directors also has a great deal of diversity when it comes to the backgrounds of its members; a glance at the recently disclosed skill matrix will reveal this fact. Outside directors and outside Audit & Supervisory Board members offer valuable advice and suggestions from their diverse and objective standpoints, and this has made it exceptionally clear just how much stronger the Board of Directors' oversight function has become.

We outside directors also played an active role in the formulation of Medium-Term Management Plan 2023

"Start of the Next Decade" by offering advice and engaging in lively discussion with regard to factors that include how to incorporate Sojitz's essence and environmental, social, and governance (ESG) themes into the plan. Meanwhile, discussions on matters such as the disclosure of a skill matrix and the revision of officer remuneration systems to better link remuneration to shareholder value took place at meetings of the Nomination Committee and the Remuneration Committee. These discussions have since been reflected in actual measures, furthering the evolution of Sojitz's corporate governance systems to be stronger and more transparent.

The ultimate goal of strengthening corporate governance systems is to improve corporate value. Specifically, these improvements will come in the form of contributions to the accomplishment of the targets of Medium-Term Management Plan 2023 and to the realization of Sojitz's vision for 2030. To this end, I have an important role to play as an outside director in supporting President Fujimoto and the other members of the executive team so that they can focus on steering Sojitz's business with peace of mind. It will also sometimes be necessary for me to encourage management to take bold action in order to seize opportunities.

Going forward, I will continue to make dedicated efforts to increase the effectiveness and transparency of management and to help improve corporate value, sometimes pushing management to make decisions when necessary. Through this approach, I hope to fulfill my management oversight function and contribute to the maximization of shareholder value.

Roundtable Discussion Between the Outside Directors

Contributing to the Accomplishment of the Targets under Medium-Term Management Plan 2023 and Sojitz's Vision for 2030 through Strengthened Corporate Governance



- Naoko Saiki**
Major Concurrent Positions
Visiting Professor of Graduate School of Public Policy, The University of Tokyo
Outside Audit & Supervisory Board Member of Development Bank of Japan Inc.
Outside Director of Komatsu Ltd.
- Norio Otsuka**
Major Concurrent Positions
Advisor of NSK Ltd.
External Member of the Board of Taisei Corporation
- Kayoko Naito**
Major Concurrent Positions
Counsel of Oh-Ebashi LPC & Partners
Member of The Japan-Mekong Business Cooperation Committee, The Japan Chamber of Commerce and Industry (JCCI)
Supervisory Officer of Tokyo Infrastructure Energy Investment Corporation
- Ungyong Shu**
Major Concurrent Positions
Founder and President of The Core Value Management, Inc.
Outside Director (Audit and Supervisory Committee Member) of Dai-ichi Life Holdings, Inc.

Opinions of the New Medium-Term Management Plan

Otsuka ■ We outside directors were deeply involved in the process of formulating Medium-Term Management Plan 2023 from a very early stage, and we offered various opinions and suggestions in this regard. Ms. Saiki, I recall how you were quick to jump into these conversations after being appointed as an outside director in June 2020. What are your opinions on this process?

Saiki ■ I have an incredibly high opinion of the process of formulating the medium-term management plan. I was relatively new in my position as outside director when the

Company assembled members of senior management as well as the heads of all business and corporate divisions in an intensive discussion session during which we talked about important management issues for Sojitz. I along with two other outside directors took part in this discussion session, which had an agenda established with a clear focus on Sojitz's vision for 2030 and the themes and strategic directives for Medium-Term Management Plan 2023. All of the outside directors in attendance provided input to the management team from their own unique perspectives while delving into the topic of what Sojitz needs to do to improve its corporate value. I brought up the idea of Sojitz's essence, specifically what exactly constituted this essence and the elements of the Company needing to