

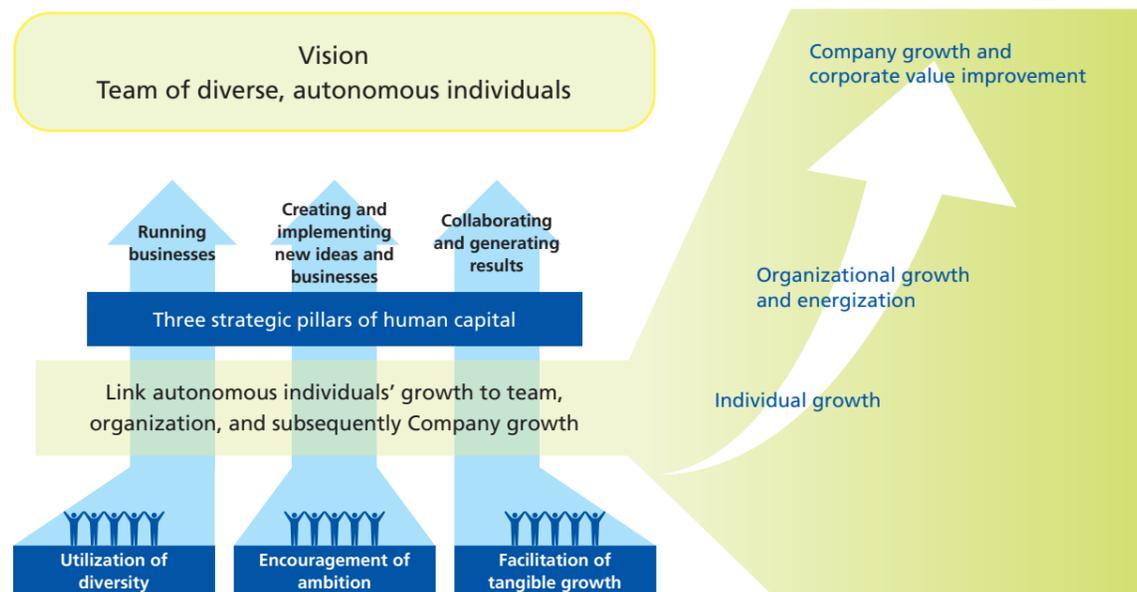
Human Resource Strategies

## Emphasis on Human Capital in Management for Continuously Cultivating Human Resources Who Create Value

Human resources are Sojitz's greatest asset and an important form of management capital. Increasing the capabilities of our human resources will translate directly to the creation of greater value. We therefore aim to foster human resources who can think, act, and persevere on their own to transform change into opportunities and thereby create new value on the global stage.

Guided by the belief that the growth of a team of diverse, autonomous individuals will contribute to value creation, we have defined three strategic pillars of human capital: utilization of diversity, encouragement of ambition, and facilitation of tangible growth. Sojitz is committed to the creation of value and the improvement of corporate value through the ongoing optimal mobilization of diverse individuals (human capital) adept at adapting to the changing environment.

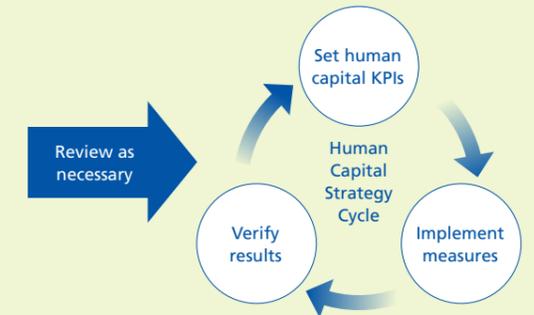
**General Trading Company That Constantly Cultivates New Businesses and Human Capital**  
Respond to market needs and social issues through value creation



Utilization of Diversity	Encouragement of Ambition	Facilitation of Tangible Growth
<p>Sojitz is developing leadership and management training programs and cultivating a workplace environment that is conducive to the efforts of employees to utilize their diverse skills and talents to generate organizational strength for creating new businesses while adapting to the highly volatile market environment. By encouraging employees to embrace diverse career paths and workstyles, we will pursue the ongoing creation of value.</p>	<p>Succeeding in times of volatility require unique ideas from new perspectives and the responsibility and commitment to enact these ideas. Based on this recognition, Sojitz seeks to support the ambitions of employees with the drive and autonomy to persevere in enacting their ideas during such times. Accordingly, we will foster human resources that can see beyond existing businesses and preconceptions to create new value to ensure that Sojitz is able to continue growing rapidly over the future.</p>	<p>Sojitz has fostered an open culture in which employees feel encouraged to tackle new challenges without fear of failure. With this culture, we are creating a virtuous cycle that facilitates tangible growth and fosters diversity within our employee base. Moreover, we provide opportunities for growth to passionate and talented new employees to accelerate their career advancement and allow them to grow rapidly over their first decade at the Company.</p>

### Human Capital KPIs for Creating Value

In June 2021, Sojitz established human capital key performance indicators (KPIs) to guide the implementation of human resource strategies that are linked to management strategies. Accordingly, the Company's human resource development initiatives are being advanced based on quantitative measurements of the degrees of understanding and dissemination of human resource measures. The status and progress of human resource measures are reported to the Management Committee and the Board of Directors every six months in order to facilitate discussion among management. These matters are deliberated on and confirmed at venues such as meetings of the Management Committee and information sharing sessions between the president and outside directors. With dynamic and flexible KPIs that can be revised based on the operating environment trends and the degree of dissemination of human resource measures, we are implementing monitoring systems while adjusting measures as necessary.



INPUT/OUTPUT (Human Capital Enhancement)				OUTCOME Value Created	
Focus Areas	Human Capital KPI Targets	Progress	Target		
Empowerment of women employees	Ratio of female career track employees with domestic or overseas working experience	FY2020: 19%*1 FY2021: 34%	40% (FY2023)	Ratio of female employees: Around 50% (2030s) Ratio of female section managers: Around 20% (FY2030)	Team of diverse, autonomous individuals Running businesses Creating and implementing new ideas and businesses Collaborating and generating results
DX-Experts	Digital fundamentals training All career track employees	December 2021 Launched March 2022 Basics program content released (Reference) July 2022 Experienced program content released	100% (FY2023)	Ratio of employees with digital experience and digital experts: Around 25% (FY2030)	
Locally hired human resources	Overseas operating company CxOs	40% 40%	50% (FY2025)		
Ambition	Challenge-taking index (Rate of positive evaluation by supervisor regarding agreed ambition targets)	51% 39%*2	70% (FY2023)	Challenge-taking index • Motivation • Workplace environment Maintain at 90% or above	Workplace environment supporting employees
Feeling personal growth				Personal growth / Contribution index Maintain at 90% or above	
Health management	Additional medical checkups taken when recommended	20% 49%	70% (FY2023)		
Childcare leave	Childcare leave taken (Rate of childcare leave taken by men)	68% (56%) 87% (83%)	100% (FY2023)		

\*1 As of June 30, 2021  
\*2 Ambition targets used in annual evaluation processes set on a voluntary basis in FY2020 (prior to establishment of human capital KPIs) but required of all career track employees from FY2021

Message from the COO of the Human Resources Department, General Affairs & IT Operation Department



**Masakazu Hashimoto**

Managing Executive Officer  
COO, Human Resources Department, General Affairs & IT Operation Department

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

**Assembly of a Team of Diverse, Autonomous Individuals**

After joining Sojitz, I spent 32 years in sales. Recently, I served as COO of the Infrastructure & Healthcare Division before becoming COO of the Human Resources Department and the General Affairs & IT Operation Department in April 2022. Sojitz's vision for 2030 is becoming a general trading company that constantly cultivates new businesses and human capital. I am strongly committed to leading our human resource strategies toward the accomplishment of this vision.

Our employees are our greatest asset. If we are to draw out and utilize the maximum potential of our people, it will be imperative for us to adopt an approach toward management that emphasizes human capital. This will entail reframing our people, previously thought of as human "resources" to be managed, as human "capital" for generating value through investment. In order to create value led by human capital, it is important to support the independence and growth of individuals, which in turn will lead to organizational and company growth. This should be coupled with efforts to make the improvement to corporate value something tangible to employees in order to generate a virtuous cycle that drives the growth of individuals.

The entrenchment of such a cycle will require support from human resource measures. This is why I position the Human Resources Department as a partner for supporting

the implementation of management and business strategies from the perspective of human resources.

When I think about it, the human resource strategies and measures I saw when I was in sales positions had some aspects about them that made it difficult for these strategies and measures to be linked to management and business strategies. In times of intense volatility, it is important to effectively capitalize on any opportunities presented. This should be done by tracking human capital on a Companywide basis and flexibly reallocating and repositioning this capital to push us forward toward the accomplishment of our medium- to long-term vision. I believe there must be a role to play in order to ensure that our human resource strategies are more effectively linked to management and business strategies from a perspective versed in frontline operations. This recognition fills me with a sense of commitment toward improving Sojitz's corporate value through management emphasizing human capital. I will go about doing this by developing an environment that is in line with Sojitz's culture and that allows every employee to deliver their maximum performance. I will also value the individuality of all employees, recognizing that they are our most important asset.

Some might ask what needs to be done to introduce into the front lines human resource measures that employees will be receptive toward. The answer is

**Debate on Human Resources at Intensive Discussion Sessions**

Sojitz arranges intensive discussion sessions in the form of management retreats that take place in the summer and see participation by members of management including outside directors and the heads of business and functional divisions. Human resource strategies have been a major theme of discussion at these sessions, which have been a forum for lively debate on the type of human resource strategies needed to realize our vision for 2030. We will continue to use these sessions as an opportunity for discussions with frontline workers to drive the ongoing evolution of our human resource systems.

**Major Topics of Discussion Regarding Human Resource Strategies**

- Job-type systems suited to Sojitz
- Commitment needed for transformation
- Sojitz's corporate culture (elements to be preserved and elements to be changed)



"communication." People's values are changing and growing more diverse. By communicating with our people, we can develop a better understanding of their diverse values and how they feel about their careers. This should be our first step in creating an environment that is comfortable for all employees and that supports them in chasing their ambitions. It is for this reason that I aim to ramp up discussion on the subject of human resources. Specifically, I look to increase the number of times I sit down to talk with CEOs of overseas operations and the COOs of business and function divisions to twice a year. Meanwhile, we devote a great deal of time at our intensive discussion sessions, management retreats for all officers, to discussions on the subject of human resources while also regularly raising the subject at meetings of the Board of Directors. This level of communication allows me to gain input regarding the frameworks for and progress of our human resource strategies from a variety of perspectives. By continuing to engage in such constructive discussion, I hope to encourage changes in the behavior of the front lines by implementing truly Sojitz human resource measures that are highly effective and grant employees a feeling of motivation and accomplishment.

The goal of our human resource strategies is to assemble a team of diverse, autonomous individuals. As such, diversity is one of our areas of focus. The reason we are so focused on diversity is because we understand that it will help us create innovation. We are thus promoting diversity in our recruitment of new graduates and mid-career individuals while providing junior employees with opportunities for rapid growth during their first 10 years at the

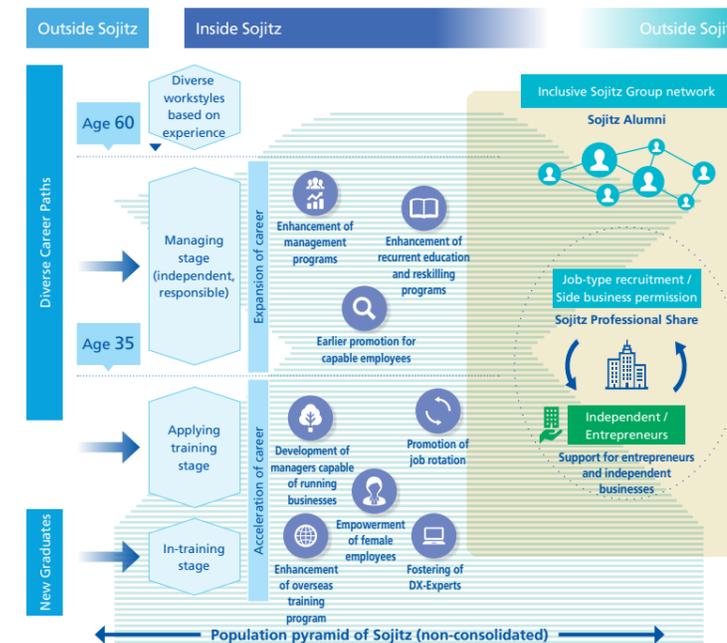
Company. A major characteristic of our personnel is how many of our employees have insight regarding multiple industries and areas of expertise. I believe that fostering such environments conducive to the mobilization of individual diversity will be key to creating innovation. My first position as a division head was in an organization tasked with the development of renewable energy, transportation, social infrastructure, and other next-generation businesses. This organization, which would later give rise to the Infrastructure & Healthcare Division, was staffed by a small team assembled from various organizations. I remember having trouble exploring new business opportunities while managing our team members, who, despite having diverse backgrounds, were lacking real experience. When I think about it today, I cannot help but realize that it was how we found our own individual motivations and utilized our respective backgrounds while covering for each other's shortcomings that allowed us to grow our business to the point where it is supporting Sojitz today.

To reiterate, my role is to link our human resource strategies and measures to our management and business strategies or, in other words, to encourage the autonomous action of employees and tie this action to the creation of new value. I am committed to drawing out the potential of the frameworks we have developed thus far to accomplish this goal. Ambition and transformation are ingrained in the very DNA of Sojitz. If we can institute these principles into our frameworks, I am confident that we can accomplish our vision of becoming a general trading company that constantly cultivates new businesses and human capital.

**Internal and External Support for Diverse Career Development**

**Workplace Environment Attracting and Stimulating Mutual Growth of Diverse Human Resources**

Sojitz is developing a workplace environment that transforms diversity into competitiveness and incorporates new ideas and opinions in an effective and multifaceted way to create value. Our workplace environment attracts diverse and ambitious human resources and encourages them to pursue mutual growth while generating innovation. Going forward, we will keep evolving our workplace environment together with the times, without being bound to past conventions such as lifetime employment and seniority based on years of service. We thereby aim to ensure that employees with diverse values and career aspirations are highly motivated and can continue to develop their careers.



Human Resource Strategies

### Utilization of Diversity

#### Empowerment of Women Employees

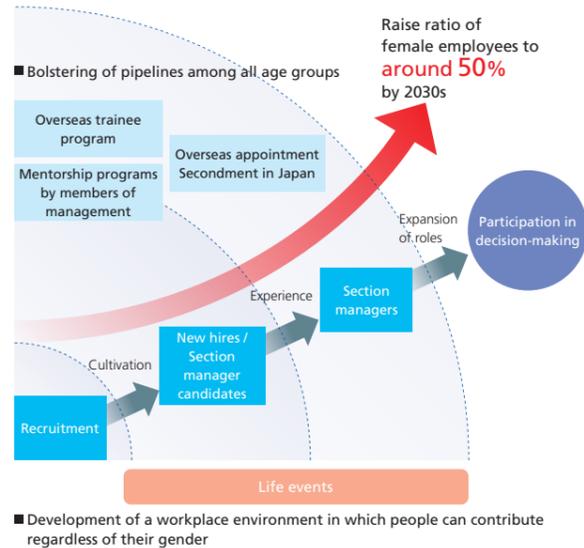
Have established a dedicated organization for promoting diversity management, Sojitz is advancing efforts from a medium- to long-term perspective to develop a workplace environment in which contributions by women employees are commonplace. Moreover, we are bolstering our human resource pipelines among all age groups while helping employees gain experience and encouraging them to pursue career development with the aim of increasing the representation of women in management decision-making.\*

\* Two executive officers at Sojitz were women as of July 31, 2022.

#### Initiatives in FY2021

- Emphasizing new graduate and mid-career recruitment drives for female career track employees
- Appointment of female employees to management positions
- Increasing ratio of female career track employees with domestic or overseas working experience
- Mentorship programs by members of management for female career track employees around age 30
- Dispatch of female employees to executive programs for managers and other external training programs

In April 2022, childcare leave systems were revised to encourage active acquisition of leave and participation in child-rearing by male employees. In assisting employees in balancing their work with child-rearing, regardless of their gender, we recognize that fostering a supportive workplace environment is imperative to creating a corporate culture in which female employees can continue to contribute with no need to halt their careers for childbirth, child-rearing, or other life events.

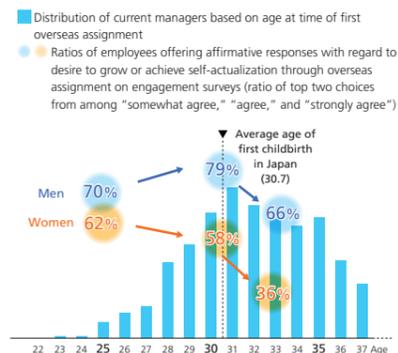


#### Women's Empowerment Targets and Progress

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

#### Examination of Human Resource Measures and Tracking of KPIs Based on Employee Input

Employee engagement surveys are implemented regularly to gain a better understanding of the autonomous, goal-oriented ambitions of employees and of the environment in which these employees work. The information from the surveys can be analyzed and used to formulate more effective human resource strategies. These surveys have revealed the importance of accelerating the advancement of the careers of female career track employees, as a large portion of these female employees desire to go on overseas assignments and have relatively high appetites for growth in their 20s, earlier than male employees. Based on this revelation, the ratio of female career track employees with domestic or overseas working experience has been set as a KPI. Proactive dispatch of female employees on such assignments resulted in women representing 50% of dispatched employees in the year ended March 31, 2022, despite women only accounting for 25% of applicable employees.



During my fifth year at Sojitz, I was sent to work at a grain accumulation company in Brazil, where I spent roughly two years as a trainee. There, I worked together with local employees and

**Ayako Yamada**  
Section Manager, Regional Co-Creation Section  
Agriculture & Regional Development Office  
Consumer Industry & Agriculture Business Division

partners, engaging in teamwork based on the perspective of those I was working with. This broadened my horizons and proved to be an invaluable experience that has helped me build trusting relationships. I would later go on to take maternity and childcare leave twice, but I was able to maintain my confidence and motivation even after coming back from leave thanks to this experience.

#### Utilization of Locally Hired Employees

Sojitz is increasing the number of chief officer positions filled by locally hired employees with the goal of better entrenching its operations, centered on overseas operating companies, into local networks in order to expand its business domain and co-create new businesses. In the year ended March 31, 2022, the ratio of overseas chief officer positions filled by locally hired employees was 40%, and we look to raise this ratio above 50% by the year ending March 31, 2026. Moreover, we aim to bolster information sharing in overseas regions in order to facilitate market-oriented initiatives, seize new business opportunities, and promote co-creation and sharing. To this end, the Company has established an advisory board membered by the locally hired leaders of overseas operating companies and appointed locally hired directors. In addition, we are enhancing discussions at the boards of directors of overseas subsidiaries through the appointment of outside directors and advisors.

In August 2022, an advisory board meeting was held with attendance by the chief officers of operating companies in the Americas. Sojitz Corporation President Masayoshi Fujimoto participated and took part in the lively debate about the growth strategies to be implemented going forward. This meeting provided an opportunity for the leaders of operating companies involved in different business fields to engage in co-creation and sharing, thereby facilitating coordination through the Sojitz Group's network, which will be used to create value.



#### Empowerment of Mid-Career Hires

Sojitz is focused on recruiting mid-career individuals as part of its efforts to acquire management and digital transformation personnel and to improve its diversity in terms of gender and nationality. We are seeing an increasing number of cases in which mid-career hires are involved in management, utilizing internal resources together with the skills and experience they gained outside of the Company. Specifically, on March 31, 2022, around 20% of management posts and 30% of corporate posts were filled by mid-career hires. Moreover, mid-career hires accounted for 29% of all new hires in the year ended March 31, 2022.

In the past, I was involved in the organizational restructuring of a local company while working in London. This was a tough process, but we were able to succeed thanks to the strong teamwork among all members, including others on overseas assignment. In the future, as a section manager at Sojitz, I plan to focus on human resource development in order to cultivate highly skilled individuals who can have a strong presence in overseas operations.



**Akiko Higa**  
Section Manager  
Group Administration  
Section  
Corporate Accounting  
Department

**Takuya Shimizu**  
Section Manager  
Section 3, Power Infrastructure  
Department  
Retail & Consumer Service  
Division

I believe that the experience at Sojitz that most contributed to my growth was the acquisition of an energy service company in the United States. The process of advancing the project while calling upon my connections with local colleagues, supervisors, and other business associates really pushed me to the next level. In the future, I hope to provide an environment and opportunities that give newer employees the same feeling of growth.

### Health Management

#### Development of a Comfortable Workplace Environment in Which Employees Are Motivated and Succeed

We recognize that our management strategies can only be successfully implemented when our employees are in good physical and mental health and are offered a comfortable workplace environment. For this reason, the president is leading a team tasked with developing a workplace environment in which employees are motivated and can continue to succeed. In addition, health management has been positioned as a management strategy, as seen in the identification of the rate of additional medical checkups taken when recommended as a human capital KPI in 2021.

We also have set the goal of raising the ratio of female employees to around 50% by 2030. Accordingly, Sojitz has therefore launched the following initiatives with the goal of building an environment that is conducive to the ongoing contributions of employees of all genders.

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

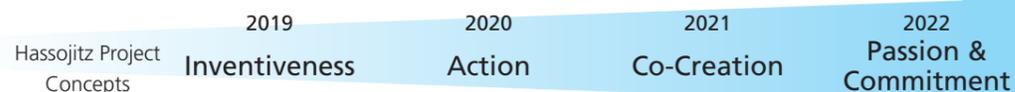


President Fujimoto with Hiro Ozaki, president and CEO of Cradle Inc., when discussing the importance of understanding women's career development issues in organizational management  
Photograph provided by Wataru Yanase (UpperCrust)

### Encouragement of Ambition / Facilitation of Tangible Growth

The Hassojitz Project is a new business creation project launched in 2019 based on a suggestion by President Masayoshi Fujimoto. This project functions as one of our unique frameworks for creating distinctive Sojitz value that contributes to the pursuit of new ambitions and the implementation of new ideas. Now in its fourth year, the various ideas proposed through this project have begun to take form as new businesses. At the same time, the project has contributed to the entrenchment of a corporate culture of cross-organizational co-creation. Going forward, we will continue our efforts to grow new businesses born out of a culture of openly supporting employee ambitions while engaging in co-creation and sharing with external partners.

#### Businesses Created through the Hassojitz Project



In February 2022, GRITz Co., Ltd., was established to develop the esports-related businesses proposed through the Hassojitz Project. The president of this company was only in his fourth year at Sojitz when he led the team that proposed this undertaking as part of the project. Meanwhile, Sojitz Morinomirai Corporation, a joint venture established with Tokyo University's venture company Hongo Research Institute Inc. in October 2021, has launched a fast-growing tree sapling production business in Miyazaki, Yamaguchi, and Okayama prefectures based on another proposal through the Hassojitz Project.



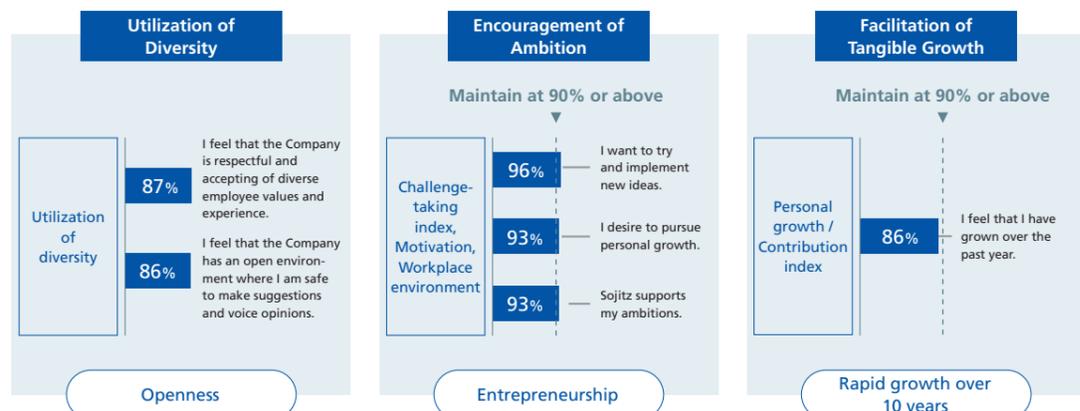
From left: Gehua Wen (GRITz co-rep), Tokido (pro gamer), and Koki Kiritani (GRITz co-rep)  
 Photograph taken during discussion with pro gamer Tokido (Available in caravan section on Sojitz's corporate website, in Japanese only)  
 Photograph: Wataru Yanase (UpperCrust)



Site of trial cultivation of fast-growing Japanese aspen trees, which can be harvested in a mere five years (one year after planting)

#### Essence of Sojitz's Culture Revealed through Engagement Surveys

Sojitz began conducting employee engagement surveys in 2017. Under the guidance of an external specialist, we are introducing into these surveys unique questions developed to help us gain a better understanding of conditions within the Company for use in guiding effective human resource strategies. Questions related to our corporate culture have revealed truths about the essence of Sojitz's culture of supporting the ambitions of diverse employees. The survey conducted in August 2022 had a response rate of 99% (up from 91% for the 2021 survey). The results of these surveys have been reflected in human capital KPIs and officer compensation to promote management emphasizing human capital.



## Cycle of Value Creation through Inclusive Sojitz Group Network

### Sojitz Alumni

Sojitz Alumni is a platform for expanding our business scope through networking among current members of Sojitz as well as former members who continue business or social contribution activities even after leaving the organization. Through this platform, we will build an inclusive Sojitz Group network that creates opportunities for businesses and open innovation in order to expand the range of new business opportunities we have access to. This platform is one of our efforts toward becoming a general trading company that constantly cultivates new businesses and human capital by ensuring that Sojitz is always a company with which employees want to continue to be involved, even after leaving.



From left: Masayuki Takajo (vice chairman of Sojitz Alumni and president, chief executive officer of Chip One Stop, Inc.), Mamoru Tatsumi (representative director and Co-CEO of Canly Inc.), and Koichi Yamaguchi (president & CEO for the Americas of Sojitz Corporation and president of Sojitz Corporation of America)

Together with a former employee, Sojitz invested in Canly Inc., a company that develops and deploys systems for integrated management of store and facility information.

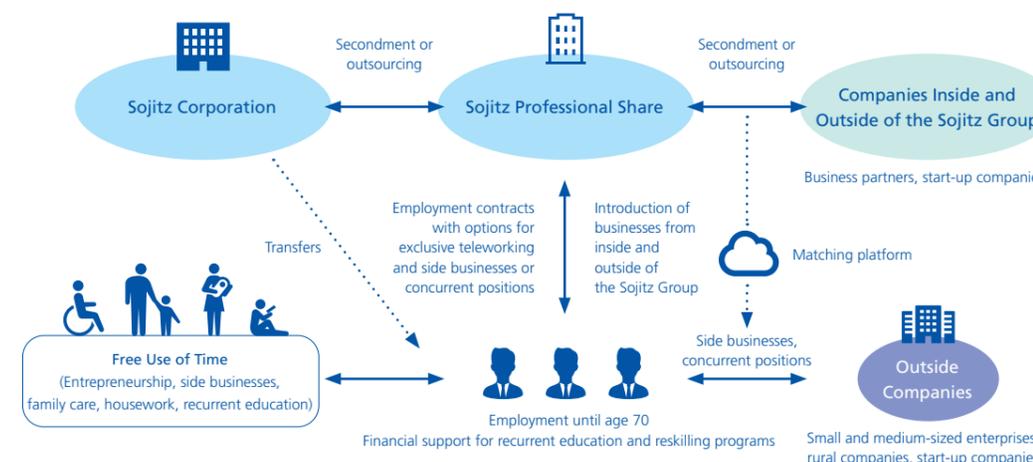
### Sojitz Professional Share



Hiroshi Murayama  
 Sojitz Professional Share Co., Ltd.

Sojitz Professional Share Co., Ltd., is a company for job-based employment that functions as a career platform available to employees over the age of 35 to further their diverse career goals and life plans. This company allows employees to work until the age of 70, has no restrictions on workplace or time, and authorizes side businesses and entrepreneurial ventures. Employees that transfer to Sojitz Professional Share are able to apply the skills and experience they have acquired at Sojitz to businesses inside and outside of the Company in order to provide new value under this framework.

I transferred to Sojitz Professional Share out of a desire to utilize the knowledge learned from my MBA and the experience I gained at Sojitz. At the moment, I spend four days a week contributing to the Sojitz Group's business and one day providing consulting services to small and medium-sized enterprises as a private business operator. In the future, I hope to also use my skills in the area of corporate organizational development to propose workstyles that can address the labor shortages and various other issues facing society.



Sojitz has been awarded the highest prize at the 4th Platinum Career Awards\* out of reflection of Sojitz Professional Share and other initiatives for respecting the diverse values of employees and supporting autonomous career development.

\* The Platinum Career Awards is organized through a partnership between the Initiative for Co-creating the Future, which is operated by Mitsubishi Research Institute, Inc., and Mitsubishi UFJ Trust and Banking Corporation, with sponsorship from the Ministry of Health, Labour and Welfare and the Tokyo Stock Exchange.

