

May 26, 2022

Sojitz Corporation

Sojitz Begins Fast-Growing Tree Business for Regional Revitalization in  
Three Prefectures Including Miyazaki, Yamaguchi, and Okayama  
– Aiming to Promote Agriculture to Provide Community Benefits through  
Co-Creation with Governments and Regional Communities –

In May 2022, Sojitz's joint venture Sojitz Morinomirai Corporation<sup>(\*1)</sup> began planting fast-growing Japanese aspen (“Hakoyanagi”)<sup>(\*2)</sup> in three prefectures as part of its fast-growing tree business. Planting sites include former farmland in Kawaminami, Miyazaki Prefecture (0.2ha), farmland in Ube, Yamaguchi Prefecture (0.1ha), and a former golf course in Misaki, Okayama Prefecture (0.3ha).

Sojitz signed an agreement with Miyazaki Prefecture's Town of Kawaminami on May 11<sup>th</sup>, 2022, to collaborate on agricultural development projects for regional revitalization. Through this business-municipality partnership, Sojitz will work together with Kawaminami on agricultural business that incorporate new ideas and the latest technologies with the aim of promoting sustainable agriculture and regional revitalization.



[Signing ceremony: Kawaminami Mayor Akihiko Hidaka (left) with Sojitz COO Yuji Yuasa of the Consumer Industry & Agriculture Business Division]

### ■ Overview of Agreement with Kawaminami

The purpose of this agreement between the Town of Kawaminami and Sojitz is to pursue mutual growth through a collaborative partnership in the agricultural sector. The content of the agreement includes three pillars: 1) Utilize biomass energy, 2) promote new high-profit crops, and 3) advance smart agriculture. Through this partnership, Sojitz and Kawaminami will collaborate together in order to promote agricultural development initiatives for regional revitalization.

### ■ Background on Planting Sites in Three Prefectures

In the future, Sojitz aims to expand planting grounds of fast-growing Hakoyanagi trees to 10,000 ha. In order to realize this goal, Sojitz reached out to local governments and residents in warm regions suitable for cultivating these fast-growing trees. The three prefectural planting sites selected were introduced to the company as a result of this outreach. While these three prefectural sites will be central to planting and sapling production activities moving forward, the company is also considering expansion to other regions. At the end of May, Sojitz will begin growing trees at trial plantations in Tokachi, Hokkaido.

Sojitz will partner together with local governments and community members to expand agricultural businesses and carbon neutral biomass energy businesses in order to support regional revitalization and contribute to the realization of a sustainable society.

\*1: Sojitz Morinomirai Corporation

A joint venture company established with Hongo Research Institute Inc. to realize the “fast-growing tree business” originally proposed as part of Hassojitz Project in FY2020.

\*2: Hakoyanagi

A high-growth, short-rotation tree species that grows approximately 200m<sup>3</sup>/ha five years after planting.

◆Related News Release:

“Sojitz Enters Fast-Growing Tree Sapling Production Business with a Tree Variety that Greatly Exceeds the Growth Rate of the Average Japanese Cedar.” Sojitz Corp. Press release, 30 September 2021.

<https://www.sojitz.com/en/news/2021/09/20210930.php>

In FY2019, Sojitz began the Hassojitz Project to realize innovative ideas as new business projects. Participants were gathered together through a company-wide open call, and junior employees have taken the lead on the project to create business that anticipates the future in 2050. The Forest + Redesign team received a great deal of attention for their fast-growth tree sapling proposal, which earned the team the Pursuit of Knowledge Prize at the Hassojitz Project final presentation. This business marks the first step towards realizing one of the team’s proposals for a forest reconstruction and maintenance business.



[At the Hassojitz Project final presentation]

[For questions, contact:]

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