

May 26, 2023

To Our Shareholders

Supplemental Explanation of Proposal No. 2: Election of Nine (9) Directors to be
Submitted at 20th Ordinary General Shareholders' Meeting

Institutional Shareholder Services, Inc. (ISS), has announced its judgment that Ungyong Shu, a director candidate named in Proposal No. 2: Election of Nine (9) Directors, which is to be submitted at the 20th Ordinary General Shareholders' Meeting scheduled to be held on June 20, 2023, is an affiliated outsider, a status that denies his independence from Sojitz Corporation ("Sojitz").

The judgment of ISS is not based on the actual situation regarding Shu, and this judgment thus differs from the understanding of Sojitz. For this reason, the following explanation is provided to supplement Sojitz's opinion with regard to the independence of Shu.

We appreciate the understanding and support of our shareholders.

Supplement Regarding Ungyong Shu (Candidate No. 7)

Sojitz's Opinion Regarding ISS Judgment Indicating the Candidate as an Affiliated Outsider

ISS judged that Ungyong Shu lacks sufficient independence from Sojitz due to his past experience at J.P. Morgan Securities, which is currently Sojitz's 9th largest shareholder (holding a 1.13% stake in Sojitz as of March 31, 2023).

In Sojitz's opinion, this past experience at J.P. Morgan Securities does not affect the independence of Shu from Sojitz given that around 16 years have passed since his resignation from J.P. Morgan Securities. Accordingly, we believe that the judgment of ISS does not appropriately reflect the disappearance of conflicts of interest that occurs after enough time has passed from a resignation (cooling-off period).

Moreover, Sojitz, as a company, recognizes that J.P. Morgan Securities' holdings of Sojitz's stock is neither based on a relationship with Sojitz nor is the holding intended to influence Sojitz's management rights through the exercise of voting rights.

Sojitz Corporation

1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo
100-8691, Japan
Tel. +81-3-6871-3866 Fax +81-3-6871-3226
URL <http://www.sojitz.com/en>

Such approaches toward judgments that uniformly deny the independence of individuals based merely on prior experience at major shareholders, regardless of the time that may have passed since their resignation or the purpose of holding by said shareholder, are irrational and threaten to impede the ability to appoint outside directors boasting extensive experience and personal connections gained as corporate managers at financial institutions.

Reasons for the Nomination of Outside Director Candidate and Expected Roles

Ungyong Shu has held important positions at J.P. Morgan Securities and Merrill Lynch Japan Securities Limited and has extensive knowledge of M&A strategies and financial and capital policies, as well as extensive experience as a corporate manager at financial institutions and personal connections. As Sojitz implements strategic business investments for sustainable growth, he has contributed to the vitality of discussions at the Board of Directors meetings by providing accurate recommendations, taking advantage of his experience and expertise. In addition, as the Chairperson of the Remuneration Committee, he is leading discussions to formulate an executive remuneration system that will encourage the realization of Sojitz's vision.

Sojitz has chosen him as an outside director candidate in the expectation that he will continue to be able to exercise appropriate supervision over management from an independent and objective standpoint, and contribute to the further development and enhancement of the corporate value of Sojitz.

Should you have any questions, please do not hesitate to contact us via e-mail at ir-disclosure@sojitz.com.

Yours faithfully

For and on behalf of
SOJITZ CORPORATION



.....
Yumie Endo
Executive Officer
COO, IR Office, Corporate Sustainability Department