

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Sojitz Corporation was formed out of the union of Nichimen Corporation and Nissho Iwai Corporation, both companies that boast incredibly long histories. For more than 160 years, our business has helped support the development of countless countries and regions. Today, the Sojitz Group consists of approximately 400 subsidiaries and affiliates located in Japan and throughout the world, developing wide-ranging general trading company operations in a multitude of countries and regions.

Sojitz Group is engaged in a wide range of businesses globally, including manufacturing, selling, importing, and exporting a variety of products, in addition to providing services and investing in diversified businesses, both in Japan and overseas. Sojitz operates with a 7-division structure comprising the Automotive Division; the Aerospace & Transportation Project Division; the Infrastructure & Healthcare Division; the Metals, Mineral Resources & Recycling Division; the Chemicals Division; the Consumer Industry & Agriculture Business Division; and the Retail & Consumer Service Division.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

April 1 2022

End date

March 31 2023

Indicate if you are providing emissions data for past reporting years

No

Select the number of past reporting years you will be providing Scope 1 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for

<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for

<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Argentina
- Australia
- Bahrain
- Belgium
- Brazil
- Canada
- Cayman Islands
- Chile
- China
- Egypt
- Finland
- France
- Germany
- Ghana
- Guam
- Guatemala
- Hong Kong SAR, China
- India
- Indonesia
- Iran (Islamic Republic of)
- Italy
- Japan
- Kenya
- Malaysia
- Mexico
- Micronesia (Federated States of)
- Myanmar
- Netherlands
- Nigeria
- Pakistan
- Panama
- Papua New Guinea
- Peru
- Philippines
- Puerto Rico
- Republic of Korea
- Russian Federation
- Singapore
- South Africa
- Spain
- Sri Lanka
- Taiwan, China
- Thailand
- Turkey
- Ukraine
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Venezuela (Bolivarian Republic of)
- Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

JPY

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	JP3663900003

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	Sojitz has established the "Sustainability Challenge" as its long-term vision leading up to 2050 as part of its commitment for realizing a decarbonized society. The Sustainability Committee, which is chaired by the CEO, deliberates this "commitment for realizing a decarbonized society" and climate change issues. The CEO, as the chairperson of the Sustainability Committee, holds ultimate responsibility for implementing the company's initiatives. Based on discussions with Sojitz management and climate experts, the CEO instructed Sojitz Group to develop, determine, and disclose quantitative targets for decarbonization and to reduce specific CO2 emissions, such as reducing Scope 1 and 2 emissions by 60% by 2030 and to net zero by 2050. Sojitz announced its policies for decarbonization in March 2021.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing and guiding scenario analysis Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing value chain engagement Reviewing and guiding the risk management process 	<Not Applicable>	<p>Managing Environmental and Social Risk =Risk Management by the Sustainability Committee / Reports Submitted to the Board of Directors (Supervisory Body)= Sojitz Group classifies and defines the many risks associated with our businesses according to our Basic Code of Corporate Risk Management, and we establish a risk management policy and management plan for these risks each year, based on a resolution by the Board of Directors. Among these risks, countermeasure policy and initiatives regarding environmental and social risk are deliberated by the Sustainability Committee. These policies and initiatives may then be put into action following a report to the Management Committee and Board of Directors.</p> <p>Deliberation by the Sustainability Committee Sojitz has established six Key Sustainability Issues (Materiality) (human rights, environment, local communities, resources, human resources, and governance) which all organizations are expected to address, as well as accompanying CSR policies. In establishing these focus areas and policies, we referenced international standards—such as the SDGs to be met by 2030—and identified issues facing our business in the long term, including environmental issues like climate change. Specifically, the Sustainability Committee deliberates policies related to response to environmental and social risk, climate change countermeasures, promotion of supply chain CSR, ESG disclosure, environmental ISOs, promotion of the Sojitz Wood Procurement Policy, social contribution activities, and other Sustainability topics.</p> <p>Establishing Action Plans for Departments and Offices The policies and items resolved by the Sustainability Committee and reported to the Management committee and Board of Directors are made known to employees not only through the company intranet, but also through regularly held briefing sessions with each department, organized by the Sustainability Committee secretariat.</p> <p>In addition to examining a project's business plan, deliberation on all business investments and loans require projects to be analyzed and evaluated for risks to the environment (climate change-related risks) and risks to society (the risk of impacting local residents, labor safety-related risks, etc.) A project's value must be confirmed from a sustainability perspective prior to resolution.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>For the appointment of directors, Sojitz places emphasis on the skills and careers related to the environment and society in order to further promote the realization of a decarbonized, circular economy, and the resolution of social issues.</p> <p>The following company directors are engaged in addressing climate-related issues.</p> <p>1) Sojitz's Representative Director, President & CEO</p> <p>The president & CEO has served as chairman of the Sustainability Committee and its precursor CSR Committee for approximately 7 years, providing direction on the company's formulation of climate change-related policies and initiatives. Additionally, the president & CEO consults with climate change-related experts at an annual stakeholder dialogue event hosted to gain external opinions, and climate change-related policies and initiatives are updated as appropriate based on consultations with climate experts. The president has acquired extensive climate change-related knowledge through these stakeholder dialogues and through gathering information on external trends.</p> <p>2) Senior Managing Executive Officer</p> <p>The senior managing executive officer is engaged in businesses that include coal trading, the acquisition of upstream interests, and resource recycling, with experience as COO of the corresponding organizations. He also currently conducts executive management of these business areas. Leveraging this expertise, the senior managing executive officer currently serves as a member of Keidanren's Committee on Environment.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

- Managing annual budgets for climate mitigation activities
- Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
- Managing climate-related acquisitions, mergers, and divestitures
- Providing climate-related employee incentives
- Developing a climate transition plan
- Implementing a climate transition plan
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

<Not Applicable>

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

- Sustainability Committee

Important matters concerning Sojitz Group's sustainability are deliberated by the Sustainability Committee, chaired by the President & CEO. The Sustainability Committee is an executing body directly under the President & CEO.

Its members include

- Executive Vice President,

Advisor to the President

Executive Management of Business Group (Automotive, Aerospace & Transportation Project, Infrastructure & Healthcare), and East Asia region

- Senior Managing Executive Officer*,

Executive Management of Business Group (Metals, Mineral Resources & Recycling, Chemicals, Consumer Industry & Agriculture Business, Retail & Consumer Service)

- Senior Managing Executive Officer,

Executive Management of Corporate Departments

- Managing Executive Officer,

COO, Human Resources Department

- Managing Executive Officer,

CFO

Executive Management of M&A Strategy & Value Creation, IR, Corporate Sustainability, Financial Solutions, Finance

- Executive Officer,

COO, PR Department, Risk Management Department

- Executive Officer,

COO, IR Office, Corporate Sustainability Department

- Executive Officer,

COO, Corporate Planning Department

Additionally, Audit & Supervisory Board Member attends meetings as an observer. Information deliberated and discussed by the Sustainability Committee is later reported to the Board of Directors and the Management Committee.

- Organizations to Promote Sustainability

The Corporate Sustainability Department is an organization dedicated to promoting sustainability, under the management of the Executive Officer in charge of IR and Sustainability.

The organization functions as secretariat to the Sustainability Committee and works together with relevant Sojitz Group organizations on sustainability-related efforts.

The CEO as a chairperson is responsible for directing Sojitz Group's sustainability policy and monitoring the status of its sustainability initiatives.

The Sustainability Committee is responsible for assessing climate change-related risks and opportunities based on the information on the external environment. The Sustainability Committee carries out planning and support for implementing response measures and initiatives, as well as for monitoring those efforts (including progress management). In addition, the Committee is responsible for regularly reporting details and issues regarding these initiatives to the Management Committee and Board of Directors.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Board/Executive board

Type of incentive

Monetary reward

Incentive(s)

Shares

Performance indicator(s)

Achievement of climate transition plan KPI

Achievement of a climate-related target

Reduction in absolute emissions

Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Long-Term Incentive Plan

Further details of incentive(s)

Remuneration of Directors is comprehensively determined by taking into account business results and non-financial aspects of performance (including a response to climate change etc).

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

Incentives are provided to directors and the executive officers to strengthen the company’s efforts towards realizing our decarbonization targets and to further advance climate change initiatives.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	As part of the criteria required by ISO14001, Sojitz carries out the PDCA cycle as part of its action plan each year to achieve its long-term vision for 2050 called the "Sustainability Challenge," and each of its "Key Sustainability Issues (Materiality) Goals," which are set to be achieved within the period of the Medium-term Management Plan 2023.
Medium-term	1	3	For the "Promotion of Sustainability Management" as set forth in the previous 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. In Medium-term Management Plan 2023 which spans FY2021 to FY2023, we will continue to reflect the concept of sustainability in our strategies, strengthen businesses that anticipate a decarbonized and recycling-oriented society, and build on our infrastructure-based businesses and services that are indispensable during the transition towards such a society, in addition to expanding our efforts to respect human rights on an ongoing basis. To achieve the goals set forth in the "Sustainability Challenge," we have set "Sustainability Goals" for each Key Sustainability Issue (materiality) to achieve within the period of the Medium-term Management Plan 2023 (During 3 years). Each goal is set to strategically increase sustainability through the promotion of various businesses and initiatives.
Long-term	3	30	Sojitz Group sees more than 3 years to 2050 as its long-term target period, and as a measure aimed at achieving decarbonization, Sojitz has set targets of reducing emissions 60% by 2030, achieving net-zero emissions by 2050, zero thermal coal interests by 2030 and zero coking coal interests by 2050. In order to continue to "create value and prosperity," as set forth in its corporate statement, Sojitz has established a long-term vision for 2050 called the "Sustainability Challenge." This vision was formed based on the Paris Agreement's call for countries to set targets for 2050 to realize a decarbonized society, as well as the global issues addressed in sustainable development goals (SDGs). Sustainability Challenge: We aim to create sustainable growth for both Sojitz and society by working to help achieve a decarbonized society through our business activities, and by responding to human rights issues, including those within our supply chains.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Sojitz Group develops business in a wide variety of fields, and we believe that the main impacts of climate change on our business involve the following physical risk and two transition risks:

- 1) Rising carbon tax (transition risk)
- 2) Market shrinkage (transition risk)
- 3) Water risk (physical risk)

In response to these risks, we conduct scenario analysis.

=Scenario Analysis (Transition Risk) =

- 1) May be impacted by rising carbon prices: Power Generation
- 2) May be impacted by market shrinkage: Coal Interests Business

As one method for confirming climate change risk in terms of transition risk, we conducted scenario analysis of our coal interest business and power generation business, which are important businesses in our portfolio, and which have a large risk of being impacted by environmental regulations.

As a result of scenario analysis, we have confirmed that there is a limited financial impact at selected power plants affected by rising carbon prices and fluctuating demand. In terms of our coal interests, we have confirmed the possibility that some assets will deteriorate due to the impacts of rising production costs if the 1.5-degree scenario is realized.

=Scenario Analysis (Physical Risk) =

- 3) May be impacted by river and coastal flood

From the standpoint of physical risks, we have identified possible water-related risks to our businesses from climate change, including flood damages, water shortages, and future changes to precipitation levels. As a general trading company, Sojitz operates business sites and supply chains in over 100 countries around the world. Water-related physical risks could therefore cause major impacts on business activities. We are focusing on acute physical risks such as floods, which are of great concern to investors. We utilize the Aqeduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) in order to check river and coastal flood risks for factories and other sites of Sojitz Group business. As a result, we have identified high river and coastal flood risk at 23 sites, primarily in Southeast Asia. In the event a physical risk is actualized, the amount of Sojitz Group assets with the possible financial impacts are estimated to be JPY 31 billion yen.

We measure the negative financial impact of new investment and loan projects by the rate of decline in profitability, rather than the absolute loss amount. For this reason, Sojitz considers the impact of losses on new investments and loans to be significant based on a criteria of a return on invested capital (ROIC/CROIC, see note below) of less than 5% as a result of significant losses related to climate change or a decline in earnings due to a shrinking market associated with the transition to a decarbonized society. We are strengthening our monitoring of these risks.

As for opportunities, Sojitz Group will contribute to the realization of a low-carbon society in the next 10 years and a decarbonized society in the future by expanding its CO2 emission-free renewable energy businesses and biomass-derived fuel and raw material business, building and expanding low-carbon businesses such as its natural gas/LNG business and recycling business, and reducing CO2 emissions generated throughout our business activities.

Note:

ROIC (return on invested capital): A financial indicator that shows how much profit a company has generated on capital invested into a business.

ROIC Calculation method: After-tax operating income of the investment target divided by invested capital.

CROIC (cash return on capital invested): An index that looks at the efficiency of cash flow in relation to the capital invested by a company in a business.

CROIC Calculation method: Core operating cash flow* divided by invested capital.

*Core operating cash flow: Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

- Direct operations
- Upstream
- Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Sojitz conducts scenario analysis using Wood Mackenzie's scenario analysis that is based on the IPCC 1.5-degree scenario to estimate the risks and impact on the company based on the three scenarios for 2050 contained in the World Energy Outlook, which is published by the International Energy Agency (IEA).

How climate-related risks are identified and evaluated at the company-wide level and facility level:

Identification:

As part of a short-term (annual) risk assessment, Sojitz holds a dialogue with stakeholders every year to provide an opportunity for management to directly exchange opinions with outside experts such as investors, NGOs, and academics. In these dialogues, we confirm future social trends that are likely to occur and then identify risks and opportunities at the company-wide level.

Climate change is one of those risks, but with respect to our businesses, we are utilizing scenario analysis to carefully examine the impacts it will have at the business division-level and at the facility-level.

Evaluation:

Sojitz utilizes Wood Mackenzie's scenario analysis which is based on the IPCC 1.5-degree scenario as well as multiple other scenarios for 2050 in order to forecast demand and pricing and to value assets held by the company.

Additionally, external consultants have identified sectors with the highest CO2 emissions, and we conduct qualitative evaluations to determine where CO2 emissions are highest in the supply chain, applicability to Sojitz's businesses, and possible alternatives (climate change opportunities).

The risk assessment for the mid-term period (Sojitz's 3-year medium-term management plan) identified the power generation sector as responsible for the highest emissions during the first fiscal year of the medium-term management plan and as a significant sector for the company due to its large-scale financial impact. In the second year of the medium-term management plan, Sojitz began to quantify risks for the power generation sector. In the last year of the plan, Sojitz will expand the scope for quantification to other sectors.

As aforementioned, Sojitz conducts scenario analysis multiple times a year, including transition risk assessments in Q1, physical risk assessments in Q2, and qualitative risk assessments in Q3.

As part of long-term risk assessment (for post 2030), Sojitz has formulated risk assessments based on the results of the scenario analysis.

In order to achieve our reduction targets for natural resource interests (reduce thermal coal and oil interests to zero by 2030; reduce coking coal interests to zero by 2050), Sojitz is monitoring progress on the sale of these interests to continue steady progress to achieve these reduction targets.

Specifically, regarding detailed investigations, we have been conducting stress tolerance analysis (scenario analysis) of our thermal power generation business and our coal interests, which are susceptible to transition risks brought about by climate change, by referencing not only the IEA's SD Scenario (the so-called 2°C scenario), but also the 1.5°C scenario of the IEA's "Net Zero by 2050 Report." In addition, for physical risks, we are utilizing the Aqueduct tools provided by the World Resources Institute (WRI) to confirm the impact that acute physical risks such as floods have on each of our businesses and facilities.

= Case Study (Transition Risk) =

(1) Transition risk (rising carbon prices): Applies to our power generation business in the United States and other countries. We have analyzed the impact of demand fluctuations in carbon prices and power sources as well as the cost competitiveness of our assets under multiple scenarios, including the 1.5°C scenario, up to the year 2050.

(2) Transition risk (market shrinkage): Applies to our coal interests in Australia and Indonesia. We have assumed demand and price forecasts and analyzed the value of our assets under multiple scenarios, including the 1.5°C scenario, up to the year 2050.

= Case Study (Physical Risk) =

(3) In recent years, physical risks such as water shortages and flood damage due to climate change have been exposed on a global scale. Sojitz, a general trading company, has business bases and supply chains in more than 100 countries and regions around the world, and these risks could have a significant impact on our corporate activities. Sojitz therefore believes that river and coastal flood associated with climate change will have a significant impact on our business, and the company is conducting flood risk surveys.

Response and Management Method:

The aforementioned transition risks (1, 2) and physical risks (3) that we have identified and evaluated are included in the risk management policy and management plan established by a Board of Directors' resolution each fiscal year to address the many risks associated with our businesses.

Sojitz also uses the ISO140001 framework as an environmental management system (EMS) to improve our operations and respond to these identified and evaluated risks via a plan-do-check-act (PDCA) process at the business and facility levels. The Sustainability Committee deliberates the policies and initiatives to take in response to these risks, and reports them to the Management Committee and Board of Directors.

Furthermore, when deliberating a new investment project, in addition to examining the project's business plan we analyze and evaluate these aforementioned risks to confirm and the project's value from a sustainability perspective prior to resolution.

= Case Study (Transition Risk) =

We expect that transition risks will become more apparent as global efforts toward a low-carbon and decarbonized society progress. We are conducting scenario analysis of two transition risks that we believe will have a large impact on our business activities, management strategies, and financial planning, and we are confirming our responses and resilience against these risks. As a result of scenario analysis, we have confirmed that there is a limited financial impact at selected power plants affected by rising carbon prices and fluctuating demand, which includes the Birdsboro Power Plant and the Kleen Power Plant in the U.S.

In terms of our coal interests, we have confirmed the possibility that some assets will deteriorate due to the impacts of rising production costs if the 1.5-degree scenario is realized.

= Case Study (Physical Risk) =

We are focusing on acute physical risks such as floods, which are of great concern to investors.

We utilize the Aqueduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) in order to check river and coastal flood risks for factories and other sites of Sojitz Group business. As a result, we have identified high river and coastal flood risk at 23 sites, primarily in Southeast Asia. In the event a physical risk is actualized the amount of Sojitz Group assets with the possible financial impacts are estimated to be JPY 31 billion yen.

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	Sojitz has joined several power generation projects in the US. An emissions trading scheme has already been introduced in the US, and if the carbon price rises in the future, our costs are expected to increase which puts pressure on profits. We conducted a scenario analysis for our power generation projects in May 2023, and as a part of our risk assessment, we have made a trial calculation of carbon tax costs based on the 1.5°C scenario.
Emerging regulation	Relevant, always included	In the future, there is a possibility that "carbon pricing" such as carbon taxes and emission trading will expand worldwide, and there is a risk that such schemes will be introduced in countries which did not previously have a carbon tax, or that the rise in carbon prices will increase Sojitz's costs and reduce profits. Therefore, we are conducting scenario analysis for our power generation businesses which are likely to be affected by carbon prices using each scenario indicated by the International Energy Agency (IEA) in the "World Energy Outlook" and "Net Zero by 2050" to forecast the potential impact. This includes the New Policy Scenario (now STEPS) which is based on the expected introduction of announced regulations, and we are assessing risk by confirming the various announced regulations which are premised on the 2°C and the 1.5°C scenarios.
Technology	Relevant, always included	There is a possibility that Sojitz's business (LNG power plant, renewable energy) will be impacted by technological advancements in the power generation field. We conduct scenario analysis for our power generation plants using each scenario prepared by the International Energy Agency (IEA) in the "World Energy Outlook" to forecast potential business impacts. These scenarios map forecasts leading up to 2050, with our analysis taking into account any regulations which may be introduced, as well as any technological developments assumed to impact business. We assess risks by keeping up-to-date on technological innovations in fields such as solar power plants and EVs, which would have a significant impact on our business.
Legal	Relevant, always included	Environmental issues may arise that result in the suspension or termination of business activities, wastewater disposal and cleanup, lawsuits and compensation for damages, or damage to reputation. Additionally, there is also the risk of climate change-related regulations such as the Paris Agreement posing challenges to business continuity. Executive officers responsible for risk management are appointed, and evaluations and management of risks are carried out according to the Risk Management Policy and Plan formulated by these risk management executive officers. The Internal Control Committee (chaired by the President & CEO) monitors the management of these risks. In addition, the Board of Directors regularly receives reports from organizations including the Internal Control Committee, supervising risks by delegating appropriate actions to be taken. Specifically, Sojitz has established a long-term vision and objectives for response to Key Sustainability Issues (Human Rights, Environment, Resources, Local Communities, Human Resources, and Governance). The Sustainability Committee oversees progress on these objectives, and the Finance & Investment Deliberation Council confirms their relevance in terms of social and environmental risks and sustainability. Additionally, the Group has established an Environmental Policy, Human Rights Policy, and CSR Action Guidelines for Supply Chains, and ensures that all Group members are made aware of these policies. We require that the legal risks of all projects be confirmed using a dedicated checklist. While it is difficult to pick specific examples, some include whether environmental impact assessments required by the laws of each country are carried out, or whether exhaust-related laws are complied with when building factories. Although there is a low-likelihood of such a legal breach occurring, it would have a major impact on the business. Therefore, we use the dedicated checklist to ensure compliance. As legal risks require immediate action, there is a direct reporting system to the president.
Market	Relevant, always included	Executive officers are appointed to evaluate and manage risks according to the Risk Management Policy and Plan, which includes managing market risks such as fluctuations in fossil fuel commodity prices. The Internal Control Committee (chaired by the President and CEO) monitors the management of these risks. In addition, the Board of Directors regularly receives reports from organizations including the Internal Control Committee, supervising risks by delegating appropriate actions to be taken. Specifically, the Group minimizes market risks through such means as matching assets and liabilities (e.g., long and short commodity exposures) and hedging with forward exchange contracts, commodity futures/forward contracts and interest rate swaps. One specific example of market risk is price fluctuation risks for resource trading for coal, oil, and LNG.
Reputation	Relevant, always included	Inadequate response to climate change-related issues could damage the company's reputation. Executive officers are appointed to evaluate and manage risks according to the Risk Management Policy and Plan, which includes reputation-related risks. The Internal Control Committee (chaired by the President & CEO) monitors the management of these risks. In addition, the Board of Directors regularly receives reports from organizations including the Internal Control Committee, supervising risks by delegating appropriate actions to be taken. Specifically, Sojitz has established a long-term vision and objectives for response to key Sustainability Issues (Human Rights, Environment, Resources, Local Communities, Human Resources, and Governance). The Sustainability Committee oversees progress on these objectives, and the Finance & Investment Deliberation Council confirm their relevance in terms of social and environmental risks and sustainability. Additionally, the Group has established an Environmental Policy, Human Rights Policy, and CSR Action Guidelines for Supply Chains, and ensures that all Group members are made aware of these policies. When dealing with reputational risks, we first take actions that are legally required and then further actions as necessary in order to minimize reputational risks, such as the risk of censure by NGOs. As reputational risks require immediate action, there is a system for reporting directly to the president.
Acute physical	Relevant, always included	As a general trading company, we have business sites and supply chains in more than 100 countries around the world. In the event of abnormal weather conditions such as heavy rains or flooding due to climate change, there is a possibility that our business will be affected due to the suspension of operations at business sites and the disruption of supply chains. In the past, Thai Central Chemical Public Company Ltd., a Sojitz consolidated subsidiary, experienced flood damage at its plant in Nakhon Luang District, Ayutthaya Province, Thailand. In response, we have confirmed that the company is implementing measures such as river monitoring and installing levees around its facilities.
Chronic physical	Relevant, always included	In terms of chronic risks, our business may be affected by "water risks," such as water shortages, flood damage, and future fluctuations in precipitation due to climate change. Sojitz, as a general trading company, operates businesses and supply chains in more than 100 countries around the world, and we believe that our business activities may be significantly affected by such risks. In terms of water shortage risks, Sojitz has paper manufacturing and mining businesses in which water security is important and which may be impacted by water shortages. With regards to risks from flood damage, Sojitz has factories, offices, and other assets around the world that may be affected.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
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Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

- Among climate change risks, the impact of transition risk (market shrinkage) is large, and in our portfolio, there are important coal interests that we expect will be directly or indirectly affected by environmental regulations related to carbon dioxide emissions.
- Our company holds about millions ton of thermal coal and coking coal interests, mainly in Australia (such as the Gregory Crinum coking coal mine), and other regions such as Indonesia.
- As of the end of March 2019 (Sojitz's base year set for thermal coal interest reduction targets), Sojitz's thermal coal interests (based on book value) totaled JPY 50 billion, which is approximately 6% of Sojitz Group's noncurrent assets of JPY 1,029,400,000,000. We therefore recognize a strong connection between climate change risks and Sojitz's businesses.
- We assume that in the future, climate change will cause our coal interests to be subject to environmental tax/carbon tax/emissions trading, increase rehabilitation costs, facilitate the spread of renewable energy and energy-saving technologies, alter countries' energy mixes and government policies, make renewable energy more price competitive, with lower financial and insurance cost. Countries around the world may introduce more stringent environmental taxes and emissions trading schemes in line with international agreements.
- Of Sojitz's 7 business units, one owns interests and conducts trading business in fossil fuels (coal), and the scale of the holdings and trading business of this unit may be affected in the long term.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

5080000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If coal-fired power demand and coal prices continue to fall due to climate change, our company might, in the mid- to long-term, see the value of our coal mines decline or see them become impaired or stranded assets, which may lead to a decrease in trading-based revenue.

We have been conducting scenario analysis since FY2018. In May 2023, Sojitz analyzed the value of its assets based on estimated price forecasts and demand using the 1.5-degree scenario published in August 2022 by the world authority on energy research, Wood Mackenzie. As a result, demand of thermal coal is expected to see a 37% decrease in demand in 2040 compared to 2023, while coking coal demand is expected to see a 44% decrease in demand in 2050 compared to 2022. Prices have leveled off in the short term for supply reasons but are also expected to decline along with falling demand. If the 1.5-degree scenario is realized, we confirmed the possibility that some assets will deteriorate due to the impacts of a rise in production costs. If the 1.5-degree scenario is realized and all currently held coal interests were to become stranded assets, anticipated losses are calculated as JPY 50.8 billion (thermal coal interests: JPY 10.6 billion; coking coal: JPY 40.2 billion) based on the book value for FY2022.

Cost of response to risk

431177125

Description of response and explanation of cost calculation

As the global decarbonization trend accelerates, Sojitz is deepening internal discussions while listening to outside opinions through stakeholder dialogues, and on March 5th, 2021, Sojitz issued a press release on its decarbonization policy in order to hasten the decarbonization of Sojitz Group.

Situation :

As global warming garners more attention worldwide and the trend towards carbon neutrality accelerates, there is a need to shift away from simply using and supplying energy to doing so in an ecologically friendly manner. Amidst this transition, Sojitz faces the challenge of reducing its coal assets which are liable to be impacted by this shift.

Task:

Initially, Sojitz established and announced a policy and strategy to reduce its thermal coal interests (approximately JPY 50 billion as of March 2019) to half or less by 2030, and not to acquire any new thermal coal interests in principle but was faced with the issue of needing to respond to decarbonization trends in a more timely fashion.

Action:

To this end, Sojitz announced its decarbonization policy on March 5th, 2021, and set forth a strategic change to accelerate its reduction of thermal coal interests from half or less by 2030 to zero by 2030. Sojitz also held stakeholder dialogues to listen to outside opinions, conducted case studies in accordance with this policy, and also conducted scenario analysis. As a result of this analysis, it was determined that there is concern that some coal assets held by the company may deteriorate.

Result:

In accordance with our policy to reduce our thermal coal interests, we have continued from 2020 to withdraw from thermal coal interests in Australia and Indonesia.* Sojitz has achieved ahead of schedule its target of reducing its thermal coal interests to half or less of FY2018 as the base year.

*In March 2020, we sold our 10% stake in a thermal coal mine interest in Australia to a fully owned subsidiary of our project partner, Yancoal Australian Ltd., for AUD 300 million. In August 2021, the Minerva Mine was closed.

= Cost =

We have continued to reduce our thermal coal interests. We consider SG&A costs to be JPY 431,177,125, which includes labor costs for Coal Dept. employees and supply costs associated with the sale of thermal coal interests.

Sojitz Group's total SG&A costs JPY222.8 billion

Number of Sojitz Group employees 20,669

Number of coal business department employees 40

JPY222.8 billion÷40 employees÷20,669 employees = JPY431,177,125

Comment

The Metals, Mineral Resources and Recycling Division contributed JPY 21 billion in new investments in FY2022.

https://www.sojitz.com/jp/ir/financial/upload/2023e_04_04.pdf#page=10

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
---------------------	---------------------------

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Among climate change risks, the impact of transition risks (rising carbon prices) is large, and in our portfolio, there are important power generation businesses that we expect will be directly or indirectly affected by environmental regulations related to carbon dioxide emissions. Sojitz is engaged in power generation businesses in the U.S. (including Sojitz Birdsboro, Sojitz Kleen, etc.), Japan, Vietnam, Oman, Saudi Arabia, and Mexico. Total power generation capacity for power businesses owned by the company is approximately 1,500MW (includes company-owned assets as of FY2022 that have begun operations).

We assume that in the future, climate change will cause our power generation businesses to be subject to environmental tax/carbon tax/emissions trading, facilitate the spread of renewable energy and energy-saving technologies, alter countries' energy mixes and government policies, make renewable energy more price competitive, with lower financial and insurance cost.

Sojitz's power generation business is an area that is susceptible to being impacted by carbon dioxide regulations. If the scope of environmental taxes expands due to carbon dioxide regulations and Sojitz must procure emission reduction credits on the market, Sojitz's costs will increase according to the carbon dioxide emissions of its offices, factories, and power generation facilities. These elevated costs may impact our profits.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

17897600000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sojitz's profits may be impacted if the scope of businesses subject to environmental tax expands, or if Sojitz is required to purchase emissions credits from the market. Our Group's total carbon dioxide emissions for FY2022 came to 940,000 tons (total of Scope 1 and Scope 2). In terms of the breakdown by country, 40% of emissions were in developed countries, while 60% of emissions were based in developing countries. In the event that we are required to purchase carbon credits for our emissions, using the unit price for carbon credits in 2030 given by the World Energy Outlook's NZE Scenario, costs could rise to JPY17,897,600,000 at USD 140/ton-CO₂e. (940,000t-CO₂×USD 140×exchange rate136.0)

Cost of response to risk

377279985

Description of response and explanation of cost calculation

Situation:

Sojitz is engaged in the power generation business as one of its core businesses. Sojitz has changed strategy of power generation to meet the needs of the times. For example, Sojitz was previously engaged in a coal-fired power business in China, but the company has since withdrawn from all coal-fired power businesses following recent calls on corporations to take on climate change initiatives to reduce CO₂ and this decision was made after considering the sustainability of the businesses. No current coal-fired power projects are held, nor future projects planned.

Task:

We recognize the impact of gas-fired power generation on climate change and will simultaneously strive to support the transition towards decarbonization by providing a stable supply of energy. Sojitz currently engages in gas-fired power generation but we believe that scenario analysis is an essential tool in establishing our climate change strategy to ensure the sustainability of our business, and we spend money to conduct scenario analysis every year.

Action:

According to Sojitz's decarbonization policy, we strive to control CO₂ emission efficiency for gas-fired power plants to below 1.5-degree scenario levels in our power generation businesses. Based on this policy, we are able to control risk by maintaining CO₂ emissions efficiency (=CO₂/kWh) at Group's thermal power plants in Mexico, the U.S., Vietnam, Oman and Saudi Arabia below the intensity of the IEA 1.5-degree scenario. Sojitz Group confirms each year to ensure power generation intensity levels.

Result:

Based on the results of scenario analysis, we have confirmed there would be a limited financial impact on power plants from fluctuations in carbon prices and demand. As a result, we confirmed the financial soundness of existing gas-fired power generation projects, and by making this a point of confirmation for any new projects, we are able to avoid the risk of carbon tax increases.

= Cost =

We consider SG&A costs to be JPY 377,279,985, which includes labor costs for business department employees and administrative costs associated with confirming Sojitz Group's power generation intensity levels fall below those specified in the IEA 1.5-degree scenario.

Total Sojitz Group SG&A costs: JPY 222.8 billion

Total number of Sojitz Group employees: 20,669 employees

Total number of employees for power generation businesses: 35 employees

JPY 222.8 billion × 35 employees ÷ 20,669 employees = JPY 377,279,985

Comment

The Infrastructure & Healthcare Division allocated JPY 93 billion to new investment in FY2022.

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Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)
----------------	--

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

From the perspective of physical risk, our business may be affected by water risks, such as water shortages, flood damage, and future precipitation changes due to climate change. As a general trading company, we have business bases and supply chains in more than 100 countries around the world, and we believe that our corporate activities could be significantly affected by such risks. We are focusing on acute physical risks such as floods, which are of great concern to investors. We utilize the Aqeduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) in order to check river and coastal flood risks for factories and other sites of Sojitz Group business.

As a result, we have identified high river and coastal flood risk at 23 sites, primarily in Southeast Asia. In the event a physical risk is actualized, the amount of Sojitz Group assets with the possible financial impacts are estimated to be JPY 31 billion yen.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3100000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Maximum losses would be incurred if assets are directly damaged through flood-related damages. Sojitz holds assets such as factories and offices around the world.

Based on the Aqeduct analysis tool, we have calculated that damages to company assets from flooding could amount to JPY 31 billion (12 sites with JPY 20 billion in fixed assets in the "Extremely High" category and 11 sites with JPY 11 billion in fixed assets in the "High" category as of end of March 2023).

Cost of response to risk

118573709

Description of response and explanation of cost calculation

Various physical risks have become apparent worldwide, such as water shortages and flood damage due to climate change, and we have changed our strategy to build a company-wide system to address risk management, rather than doing so on an individual project basis. In order to understand the situation, we first confirmed the system for dealing with flood damage, etc., based on the instructions of external consultants and the Aqeduct risk management tool.

Situation:

With regards to physical risks such as flood damage, we have been confirming the risk status through environmental due diligence and other means during deliberations for each project, but recently, physical risks such as flood damage due to climate change have become more apparent worldwide. An actual incident occurred in which a Group company's fertilizer plant in Thailand suffered flood damage.

Action :

In order to clarify the Group-wide response to these risks, we utilize the Aqeduct analysis tool for water risk assessment that references the 4-degree scenario (RCP8.5) provided by the World Resources Institute in order to check river and coastal flood risks for factories and other sites of Sojitz Group business.

Result :

As a result of risk analysis, we have identified high river and coastal flood risk primarily in Southeast Asia. Using the Aqeduct analysis tool, we have calculated that the amount of Sojitz Group assets with possible damages in the event of a flood could amount to JPY 31 billion (including 12 sites with JPY 20 billion in fixed assets in the "Extremely High" category and 11 sites with JPY 11 billion in fixed assets in the "High" category as of end of March 2023). We plan to introduce BCP action plans at Group

companies in high-risk regions which do not yet have such plans in place. In the second quarter of 2023, Sojitz drafted a BCP for Huong Thuy Manufacture Service in Ho Chi Minh, which includes preparing in-office accommodations and transfer of authority protocols.

= Cost =

In terms of physical risks, we consider the SG&A costs to be JPY 118,573,709, including labor costs and supply costs associated with BCP action plan creation for Huong Thuy, which is considered high-risk for flooding.

Total Sojitz Group SG&A costs: JPY 222.8 billion

Total number of Sojitz Group employees: 20,669 employees

Total number of employees drafting BCP for Huong Thuy Manufacture Service: 11 employees

JPY 222.8 billion × 11 employees ÷ 20,669 employees = JPY 118,573,709

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

We adopted the COP21 Paris Agreement in December 2015. Although the provisions do not contain any clear target for total CO2 emission reduction, they do state the goal of keeping the increase in global average temperature to well below 2 degree above pre-industrial levels and limit the temperature increase to 1.5 degree.

In response to international decarbonization and low-carbon trends, governments of various countries are tightening CO2-related regulations, and companies are facing calls to use renewable energy. Therefore, companies will likely take steps to increase the ratio of renewable energy that they use.

This will lead to more business opportunities for Sojitz's renewable energy business. Sojitz has worked for many years to accumulate relevant business expertise, such as choosing to join solar power projects overseas ahead of our competitors. This will lead to more business opportunities for Sojitz's renewable energy business. In addition to Sojitz's 11 solar operating plants in all over the world (8 in Japan and 3 overseas) and 2 onshore wind power operating plants in Europe/US, we are also involved in a biomass power project in Japan and recently a new large scale solar photovoltaic project in Australia.

Sojitz is using this expertise to increase the number of renewable energy-related businesses we operate around the world. In recent years, our company has continued to expand this segment laterally, growing to include not only solar/onshore wind power, but other businesses, such as an offshore wind power business.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3200000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Beginning with the acquisition of a solar power plant in Germany, we are working in the renewable energy business by utilizing the knowledge cultivated through the development of solar power projects in Japan, and through contributing to the environment, we are complying with the rapid global shift towards decarbonization. As demand for renewable energy is expected to increase in the future, sales are expected to rise as well.

=Financial impact=

The net profit of each renewable energy project company, including Sojitz Mirai Power companies, was JPY 3.2 billion in FY2022.

Cost to realize opportunity

463515410

Strategy to realize opportunity and explanation of cost calculation**Situation:**

There is growing demand worldwide for a shift from thermal power generation to renewable energy. Sojitz will use this as an opportunity to accelerate its efforts in the renewable energy business, which includes not only solar power, but also onshore and offshore wind power.

Task:

In order to adapt to this situation, it is necessary to accumulate high-quality operating assets to strengthen our renewable energy business, and to accumulate know-how to promote the onshore and offshore wind power businesses in Japan and other countries.

Action:

Sojitz has acquired business know-how over many years of experience in the energy industry.

Since entering the onshore wind power business in Europe, Sojitz has led Japanese general trading companies in being the first to enter the solar power business overseas. Sojitz and ENEOS Corporation have started construction on a 150MW solar farm in Australia, which will be one of the largest solar projects to be undertaken by Japanese companies. Sojitz and ENEOS first acquired 100% stake in the project company, Edenvale Solar Park Pty Ltd., from DPI Solar 3 Pte Ltd. via Sapphire Energy Pty Ltd., a joint venture holding company equally owned by Sojitz and ENEOS.

Result:

Through this project, Sojitz strives to strengthen its renewable energy business and develop a foothold for accumulating quality business assets. Sojitz aims to not only develop projects in Australia moving forward, but also to provide a stable supply of renewable energy to Australian companies and Japanese companies conducting business in Australia, in order to contribute to the realization of a decarbonized society.

=Cost=

We consider related scenario analysis costs as JPY 463,515,410, which includes the labor costs for renewable energy business teams as well as SG&A costs that include activity costs such as supply costs.

Sojitz Group's total SG&A costs: JPY 222.8 billion

Number of Sojitz Group employees: 20,669 employees

Number of renewable energy business department employees: 43 employees

$JPY 222.8 \text{ billion} \times 43 \text{ employees} \div 20,669 \text{ employees} = JPY 463,515,410$

Comment

The Infrastructure & Healthcare Division allocated JPY 93 billion to new investment in FY2022.

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Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

We recognize that that natural gas and LNG have an effect on climate change. In terms of supply, the US has rapidly risen to prominence thanks to the shale gas revolution, while on the demand side, China, India, and other emerging countries in Asia are poised to lead future growth, and we predict their governments and business sectors will promote the rapid introduction of natural gas and LNG as these energy technologies are expected to support the transition to a decarbonized society due to the fact that they emit less CO2 than coal or oil.

The history of Sojitz's LNG business stretches over roughly 50 years. We have built a track record since the 1970s, operating an integrated LNG business encompassing everything from gas field development to liquefaction, transport, and receiving. Through deep involvement with everything from construction to management of those projects centered on high-efficiency gas-fired power plants, we have accumulated new technologies and operations experience.

We are also able to put together financing plans for these projects quickly, utilizing our worldwide network of excellent customers and government agencies and our business insight. We expect Sojitz to have even more business opportunities in the future, as demand increases for LNG-based power generation.

Sojitz has already begun work on natural gas/LNG power generation projects in Indonesia, Vietnam and the US. We completed the financial closing of a natural gas power plant in the US and an LNG-to-Power project in Indonesia. We are developing other LNG-to-Power and natural gas power plants in Vietnam.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

4600000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have positioned gas-to-power as a core business area, as it is expected to grow into the pillar that supports increasing energy demand in emerging countries in Asia. In pursuit of greater follow-through and reproducibility for our gas-to-power businesses, we will maximize the synergy gained by merging the team which has handled our historically strong integrated LNG businesses with the team most skilled in PPP/PFI projects for gas-fired power plants. As LNG demand is expected to increase in the future, we forecast an increase in revenue.

=Financial impact=

The FY2022 net profit of LNG Japan Corporation, which is involved in LNG and related businesses, was JPY 9.1billion, and the impact on Sojitz Group will be JPY 4.6 billion based on Sojitz's stake in the company.

Cost to realize opportunity

582089119

Strategy to realize opportunity and explanation of cost calculation

Situation:

While we recognize the effects on climate change, we predict governments and business sectors will promote the rapid introduction of natural gas and LNG as these energy technologies are expected to support the transition to a decarbonized society due to the fact that they emit less CO2 than coal or oil.

Task:

Under these circumstances, carbon prices are expected to soar, and the challenge is to expand and strengthen the scope of our portfolio, not only in the gas power generation business using natural gas and LNG, which have higher CO2 emission efficiency, but also in peripheral businesses from upstream to downstream.

Action:

We successfully reached the finance close of the Tangguh LNG Project in West Papua Province, Indonesia. This expansion project involves a consortium of Tangguh LNG companies, including our subsidiary LNG Japan Corporation, together with the operator BP (a major energy company based in the UK). With more than 10 Tcf (trillion cubic feet) of remaining recoverable natural gas reserves in Tangguh, this project is expected to ensure a stable, long-term supply of LNG, as even 1 Tcf is enough to supply one million tons of LNG for 20 years.

Result:

In addition to the Tangguh LNG Terminal, in terms of recent achievements, we have already begun work on natural gas/LNG power generation projects in the US and SE Asian countries and have completed finance closing some of them. We have also reached the finance closing stage for a natural gas power generation project in Uzbekistan. In Indonesia, we have also achieved finance closing for the Tangguh LNG project. In this way, we will respond to the transition to a decarbonized society by actively working on gas-powered generation projects using natural gas and LNG, which have better CO2 emission efficiency.

=Cost=

The costs to promote LNG businesses has been calculated to total JPY 582,089,119. These handling costs include labor costs associated with the teams responsible for our LNG businesses and all activity costs that comprise SG&A costs, such as supply costs.

Total Sojitz Group SG&A costs: JPY 222.8 billion

Total number of Sojitz Group employees: 20,669 employees

Total number of employees involved with LNG businesses: 54 employees

$JPY 222.8 \text{ billion} \times 54 \text{ employees} \div 20,669 \text{ employees} = JPY 582,089,119$

Comment

The Infrastructure & Healthcare Division allocated JPY 93 billion to new investment in FY2022.

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Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

In response to the trend towards carbon reduction and decarbonization, governments around the world are enacting stricter CO2-related regulations, and companies are also expected to contribute to decarbonization. The logistics industry is also expected to accelerate its efforts to decarbonize, and electric delivery vehicles are one possible measure to reduce CO2 emissions.

In the "Sustainability Challenge," Sojitz's long-term vision, we have set forth the challenge of realizing a decarbonized society through our business, and we believe that is essential to create new projects that are sustainable over the medium to long term while continuing our existing businesses. To this end, we have launched the "Hassojitz" (Sojitz + Ideas) Project in FY2019, in which we harness the power of ideas to realize new businesses, and young employees selected through internal recruitment are taking the lead in creating businesses for the future toward 2050. In the Hassojitz Project, we have focused on the growing demand for electric vehicles (EVs) as an opportunity for the transition to a decarbonized society brought about by climate change. The first investment project that has launched as a result of the Hassojitz Project is a business alliance to support the creation of businesses using EVs, as described below.

In December 2020, Sojitz entered into a capital and business alliance with ASF Co., Ltd., a start-up company which develops, manufactures, and supplies EVs and provides battery-leasing services. In June 2021, Sojitz served as lead investor in a new third-party allotment of shares to be conducted by ASF, thereby strengthening the capital relationship.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

33000000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In order to reduce CO2 emissions associated with global warming and to combat air pollution in urban areas, countries around the world are regulating plug-in hybrid vehicles (PHEVs) in addition to conventional gasoline and diesel vehicles. In particular, Europe is advancing the strongest environmental measures in the world, and European countries are implementing stricter regulations on gasoline and diesel vehicles. In 2025, approximately 30% of new vehicle sales are expected to be EVs (including battery electric vehicles (BEV), hybrid electric vehicles (HEV), plug-in hybrid electric vehicles (PHEV), and mild hybrid electric vehicles (MHEV)). By 2030, EVs are expected to surpass diesel and gasoline vehicles with 51% market share.

==Financial Impact==

There were approximately 370,000 new light-duty freight vehicles for "last mile" transportation sold in 2021, and Sojitz is aiming to acquire a 5% share of this market in 2030, which is expected to result in sales totaling JPY 33 billion.

Cost to realize opportunity

53897141

Strategy to realize opportunity and explanation of cost calculation

Situation:

Companies are called on to reduce their CO2 emissions. In addition to Scope 1 and 2 emissions, it is necessary to accelerate the reduction of Scope 3.

Task:

In the "Sustainability Challenge," Sojitz's long-term vision, we have set a goal of achieving decarbonization by 2050, and our goal in the medium to long term is to create new businesses that are sustainable while working to achieve a decarbonized society.

Action:

In FY2019, Sojitz launched the "Hassojitz" (Sojitz + Ideas) project, in which we harness the power of ideas to realize new businesses for the future in 2050. In the Hassojitz Project, we have focused on the growing demand for electric vehicles (EVs) as an opportunity for the transition to a decarbonized society brought about by climate change.

Result:

After consideration, in December 2020, Sojitz entered into a capital and business alliance with ASF Co., Ltd., a start-up company which develops, manufactures, and supplies EVs and provides battery-leasing services. In June 2021, Sojitz served as lead investor in a new third-party allotment of shares to be conducted by ASF, thereby strengthening the capital relationship.

Sojitz will also promote "Green EV Infrastructure" business (EV infrastructure business using clean electricity produced from renewable energy).

In June 2020, ASF signed a basic agreement with Sagawa Express Co., Ltd., a major Japanese delivery company, to start joint development of small EVs (test vehicles) and has been pursuing joint development and demonstration tests of small commercial EVs specifically for logistics companies. Through third-party allotment of new shares, ASF will begin full-scale development of commercial EVs geared towards mass production. Sagawa Express Co., Ltd. is expected to start deliveries using EVs developed by ASF in September 2022, and if it replaces all its vehicles with EVs, Sagawa Express Co., Ltd.'s overall CO2 emissions are expected to decrease by 10% over FY2019.

=Cost=

We have concluded that the costs for promoting our EV businesses amounts to JPY 53,897,141. These handling costs include labor costs associated with the departments responsible for our EV businesses and all activity costs that comprise SG&A costs, such as supply costs.

Total Sojitz Group SG&A costs: JPY 222.8 billion

Total number of Sojitz Group employees: 20,669 employees

Total number of employees involved with EV businesses: 5 employees

$$\text{JPY } 222.8 \text{ billion} \times 5 \text{ employees} \div 20,669 \text{ employees} = \text{JPY } 53,897,141$$
Comment

The Infrastructure & Healthcare Division allocated JPY 93 billion to new investment in FY2022.

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C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

In formulating and updating our climate transition plan, we held a total of 289 meetings with institutional investors in FY2022 and also invite outside experts to stakeholder dialogues every year in order to stay up to date with current trends. In addition, we hold internal discussions with the COOs of each business division and make policy decisions based on discussions held by the Board of Directors, the Management Committee, and the Sustainability Committee.

Our climate transition plan includes achieving net zero CO2 emissions by 2050 and therefore aligns with the move towards a 1.5-degree world. Our plan includes securing natural gas as a transitional energy source, but our plan is also based on the prediction that renewable energy and CCS, CCUS and DAC technology will be adopted and become widespread at an early stage.

Sojitz strives to maintain an accurate understanding of external trends and perspectives in the process of promoting sustainability, and this understanding is then reflected in our policies and business activities. In addition, through appropriate disclosure and engagement, we are putting into practice a cycle that allows all of our stakeholders to offer us further new opinions.

◆ Sustainability Management Promotion Cycle

① Dialogue/Understanding of External Trends and Opinions

- Stakeholder dialogues
- ESG dialogues, external evaluations
- Monitoring of external scenarios, technology trends, and EU taxonomy
- Organization of relevant points of contention and approaches

② Policy Creation

- Formulation of Companywide policies and reflection in medium-term management plan
- Incorporation of policies into individual business strategies
- Clarification of risks and opportunities by division

③ Action

- Execution of business strategies
- Advancement of Sustainability Challenge
- Monitoring through the Sustainability Committee
- Deliberation of new finance and investment proposals and reflection in organization appraisals

④ Disclosure

- Disclosure through media such as integrated reports and Sojitz ESG BOOK (website)
- ESG briefings
- Analysis and disclosure based on frameworks such as the TCFD and the IFRS Foundation

Frequency of feedback collection

More frequently than annually

Attach any relevant documents which detail your climate transition plan (optional)

ESGBOOK Climate Change
C3.1 Climate Change.pdf

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA NZE 2050	Company-wide	<Not Applicable>	<ul style="list-style-type: none"> As a way to confirm climate change risk, we conduct scenario analysis of our coal (thermal coal and coking coal) interests, which is a major part of our portfolio, as well as of our power generation business, as we anticipate that they will be impacted directly and indirectly by carbon dioxide-related environmental regulations. This scenario analysis was carried out under the International Energy Agency (IEA) 1.5-degree scenario (IEA NZE 2050). We believe that these scenarios are consistent with our medium- and long-term climate change-related goals for 2050.
Physical climate scenarios RCP 8.5	Company-wide	<Not Applicable>	<p>In addition to preparing for transition risks such as new regulations aimed at mitigating climate change, we are also planning ways to address physical risks in the event that climate change cannot be avoided and global warming continues to progress. To begin with, we are examining the risks to our assets, primarily focusing on floods.</p> <p>Physical risks present an “acute risk” in terms of potential damage to company assets as a result of the floods by abnormal weather and reduced profits attributable to disruptions to the supply chain network. “Chronic risk” from changes in climate patterns are expected to cause a future decline in profits. We see acute risks as urgent issues to be addressed. Sojitz is therefore focusing on water-related physical risks, which investors are highly attuned to, by conducting risk analysis for floods. Specifically, Sojitz utilizes the Aqueduct tool to widely assess the entirety of water risk for Group companies.</p>

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Sojitz holds coal interests and natural gas-fired power plant assets. As power plants that directly emit CO2 are under pressure to reduce emissions, it is possible that these businesses will become stranded assets in the future. In the event that coal thermal power plants, with their particularly high emissions, lose their competitiveness, we can expect upstream demand for thermal coal to decrease as well.

Additionally, we view our gas-fired power plants, with their comparatively lower emissions, only as a means for transitioning towards decarbonization. It is likely that gas-fired power will also eventually lose its competitiveness due to rising carbon prices and the spread of renewable energy.

Based on these circumstances, we can conclude that our gas-fired power plants are directly impacted by decarbonization, while our coal interests are indirectly impacted. We therefore conduct scenario analysis in order to identify which of our assets are at risk for becoming stranded assets in the future.

While some business sectors contain transition risks, it is possible that new technological innovations may be introduced in order to address these risks. We view these new technologies and approaches as business opportunities for Sojitz, and we aim to leverage these innovations to create future Scope 4 (avoided) emissions.

Results of the climate-related scenario analysis with respect to the focal questions

We determined through scenario analysis that the deterioration of a portion of our coal assets would have a limited impact, and that our power generation businesses are not expected to become stranded assets. We will continue to conduct scenario analysis on a yearly basis in order to closely monitor the health of our assets.

Regarding our power generation business, we conducted analysis based on the IPCC 1.5 degree scenario that is consistent with IEA’s 1.5 degree scenario approach to determine the impact of carbon pricing and fluctuations in demand, as well as the cost competitiveness of our assets. As a result of our analysis, we believe that a limited number of power plants will be impacted by carbon prices and fluctuating demand. Additionally, power plants that would be affected are expected to see limited financial impacts such as asset deterioration.

Based on the above analysis, Sojitz has established the following policies:

With the book value of the assets of our thermal coal interests in the FY2018 as a base, reduce thermal coal assets to half or less by 2025 and to zero by 2030. (Target deadline moved to earlier date from the previously announced goal of reducing to half or less by 2030. Some of our Australian thermal coal interests still had remaining reserves, but in response to this policy, we accelerated the closure of coal mines by three years and recorded impairment loss in FY2020. As a result, our target of reducing thermal coal interests to half by 2025 has already been achieved ahead of schedule.

- In principle, Sojitz will not acquire new thermal coal interests.
- Sojitz has no current assets of coal-fired power generation nor will we have future projects planned.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>1. In FY2019, we set our goal to reduce the assets of our thermal coal interests to half or less by 2030 as part of our decarbonization strategy for 2050. However, in light of the results of scenario analysis and decarbonization trends, we revised the goal in March 2021 to reduce the assets of our thermal coal interests to half or less by 2025 and to zero by 2030.</p> <p>2. Case study: Most significant strategic decisions in light of the impact of climate-related risks and opportunities</p> <p>Situation: In light of greater emphasis on sustainable growth, Sojitz aims to reform its resource-related business models, such as by shifting coal assets, currently weighted towards thermal coal, to high-quality coking coal.</p> <p>Task: As the global decarbonization accelerates, Sojitz needs to consider accelerating strategies for reducing not only thermal coal, but also coking coal.</p> <p>Action: Sojitz reduced its thermal coal interests by divesting interest in Moolarben Coal Mine, Australia in FY2019 and Minerva Coal Mine, Australia in FY2021. Sojitz invites environmental experts for periodic stakeholder dialogues. Sojitz created a decarbonization roadmap for 2050 based on discussion within the company. Under the policy Sojitz announced in FY2019, the target for reducing assets of thermal coal interests to half or less by 2030 was revised to reduce assets to zero by 2030. In 2021, Sojitz also announced a policy to reduce assets of coking coal interests to zero by 2050. Sojitz changed its Metals & Mineral Resources Division to the Metals, Mineral Resources & Recycling Division to strengthen its recycling businesses toward a circular economy. Additionally, Sojitz's Infrastructure & Healthcare Division is focusing on energy conservation and renewable energy businesses.</p> <p>Result: Sojitz entered the energy conservation business by acquiring McClure Company of the U.S. in 2021. Also, Sojitz is working with Kyushu University and Kyushu Electric Power Co., Inc. on joint development of DAC technology. Sojitz and its partners established a company in May 2023 to realize product commercialization and implementation by the late 2020s. Also, Sojitz signed a MOU with French bulk liquid storage company, Rubis Terminal Infra SAS and Spanish infrastructure investment company, Reganosa Asset Investments in October 2022 to conduct a feasibility study to develop a green hydrogen supply chain in Europe.</p>
Supply chain and/or value chain	Yes	<p>1. Our strategies were primarily centered around existing resource-related business models that focused on the sale of coal. However, coal-fired power plants downstream in the supply chain emit large amounts of CO₂. By establishing a policy towards decarbonization and setting out to reduce our coal interests, we can encourage coal-fired power plants downstream to pursue decarbonization.</p> <p>We have established our goal of reducing our coal interests in order to contribute to the realization of a decarbonized society. We have also taken this as a business opportunity and have shifted our strategy to focus on researching alternative fuels, including hydrogen.</p> <p>We concluded that although hydrogen fuel may not be introduced into practical use until the late 2030s and not in wide spread use until the 2040s, it would still be ideal for us to establish storage methods and transport technology as early as possible ahead of these developments. To this end, we are conducting surveys in preparation for the construction of a hydrogen supply chain.</p> <p>2. Case study: Most significant strategic decisions in light of the impact of climate-related risks and opportunities</p> <p>S: Amid the global trend towards decarbonization, the establishment of a hydrogen supply chain is an essential step towards facilitating the widespread use of hydrogen as an alternative energy source. Sojitz is collaborating with Hrein Energy Co., Ltd. to conduct studies using their LOHC* technology—which facilitates the storage and transport of hydrogen gas—with the aim of building a hydrogen supply chain.</p> <p>T: In order to facilitate the practical usage of hydrogen fuel on a commercial basis, Sojitz needs to conduct research on the costs, required permits and licenses, and relevant laws.</p> <p>A: Sojitz sought to acquire a feasibility study project as part of NEDO's "International Demonstration Project on Japan's Energy Efficiency Technologies."</p> <p>R: Sojitz was awarded the feasibility study under NEDO. By the end of FY2020, Sojitz investigated details including the required permits and licenses and hydrogen supply and demand potential. Based on the results of the study, Sojitz initiated proof-of-concept testing on storage and transport methods beginning in FY2021 through to FY2023.</p> <p>*Liquid Organic Hydrogen Carriers (LOHC): A technology that facilitates the storage and transport of methylcyclohexane (MCH).</p>
Investment in R&D	Yes	<p>1. Sojitz announced its strategy to shift from thermal coal to coking coal. In light of trends towards decarbonization, Sojitz then committed to realizing a decarbonized society and changed its strategy to prioritize not only reducing both thermal coal and coking coal interests, but also to promote the development of CO₂ capture technology in order to contribute to global decarbonization. We expect that CCS, CCUS and DAC technology will be ready for practical implementation through 2030. Taking into account efforts to realize a decarbonized society by 2050, we believe that the development of decarbonization technology must be accelerated. Therefore, we are also investing in DAC technology demonstration projects as one measure to prepare for decarbonization.</p> <p>2. Case study: Strategic decision-making</p> <p>S: DAC technology enables carbon dioxide to be directly captured from the atmosphere. Countries around the world are currently conducting R&D on this important technology, which is seen as a means of realizing carbon neutrality and working towards a "Beyond Zero Society." Sojitz and Kyushu University signed an MOU in 2022 and have continued to pursue R&D for DAC technology together.</p> <p>T: In order to realize product commercialization and social implementation as early as possible, it is necessary to not only develop DAC technology but also to perform verification tests and develop technical applications. Sojitz determined it was therefore essential to collaborate with latent consumers from the R&D stage.</p> <p>A: In March 2023, Sojitz signed an MOU with Kyushu Electric Power and Kyushu University to advance verification tests and application development of DAC technology. In May 2023, Sojitz established Carbon Xtract Corporation as a new company to accelerate social implementation in partnership with NanoMembrane Technologies, Inc., a chemical venture company.</p> <p>R: Sojitz has established a framework for early realization of social implementation before the late 2020s. Moving forward, Sojitz will promote product commercialization and utilization through co-creation with its customer networks to become a leading company in the small-scale and distributed DAC market.</p>
Operations	Yes	<p>1. We have previously announced our strategy to reduce the thermal coal interests by half by 2030 that make up our potential Scope 3 CO₂ emissions. Recently, not only have companies come under greater pressure to take concrete steps towards decarbonization, but various new business opportunities and possibilities have also arisen along with the move towards a decarbonized society. In light of these changes, we modified our strategy to include the complete elimination of not only our Scope 3 emissions, but also all Scope 1 and Scope 2 emissions as well. We also announced our policy in March 2021 describing our specific goals for pursuing new business opportunities such as renewable energy businesses and businesses related to the circular economy.</p> <p>2. Case study: Strategic decision-making</p> <p>Situation: Sojitz's Scope 1 and Scope 2 emissions totalled approximately 1 million tons of CO₂ in 2019. There was a possibility that escalating carbon taxes may negatively impact Sojitz's earnings in the future.</p> <p>Task: In order to respond to recent demands for companies to move towards decarbonization, and to safeguard against future rising carbon taxes, Sojitz has an urgent need to improve the efficiency of its Scope 1 and Scope 2 emissions. One method for achieving this goal is to improve the efficiency of Sojitz's CO₂ usage in the thermal power generation sector, including of coal-fired power generators with their especially large CO₂ emissions.</p> <p>Action: Sojitz implements the following two measures for improving the efficiency of its CO₂ emissions:</p> <ol style="list-style-type: none"> In the thermal power generation sector, Sojitz strives for the highest level of efficiency within its already efficient gas power businesses. Sojitz seeks to expand renewable energy businesses. <p>Sojitz implements these measures on an ongoing basis and was particularly active in FY2020, taking steps to invest in a project in the wind power sector, a promising industry where we expect demand to increase in the future.</p> <p>Result: As a result, Sojitz together with ENEOS Corporation invested in a project for the construction of a 150MW solar farm in Queensland, Australia. It will be one of the largest solar projects to be undertaken by Japanese companies in Australia. With these projects, we have gained a foothold to increase our CO₂ efficiency in the power generation sector.</p>

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Assets	<ul style="list-style-type: none"> Among climate change risks, the impact of transition risk (market shrinkage) is large, and in our portfolio, there are important coal interests that we expect will be directly or indirectly affected by environmental regulations related to carbon dioxide emissions. Our company holds about JPY 50 billion of thermal coal and coking coal interests, mainly in Australia (such as the Gregory Crinum mine), and other regions such as Indonesia. We assume that in the future, climate change will cause our coal interests to be subject to environmental tax/carbon tax/emissions trading, increase rehabilitation costs, facilitate the spread of renewable energy and energy-saving technologies, alter countries' energy mixes and government policies, make renewable energy more price competitive with lower financial and insurance cost. Countries around the world may introduce more stringent environmental taxes and emissions trading schemes in line with international agreements. Of Sojitz's seven business divisions, one owns interests and conducts trading business in fossil fuels (coal), and the scale of the holdings and trading business of this unit may be affected in the long term. <p>Explanation of financial impacts: If coal-fired power demand downstream and coal prices continue to fall due to climate change, our company might, in the mid- to long-term, see the value of our coal mines decline or see them become impaired or stranded assets. This may lead to a decrease in trading-based revenue.</p> <p>We have been conducting scenario analysis since FY2018. In 2022, we conducted an analysis of the value of our assets with assumed demand and price forecasts based on the IEA 1.5-degree scenario (IEA NZE 2050) and other scenarios looking towards 2050. As a result, we confirmed that some thermal coal interest assets may deteriorate, but the impact is limited.</p> <p>Sojitz established the following policies based on the results of its scenario analysis:</p> <ul style="list-style-type: none"> With the book value of the assets of our thermal coal interests in the FY2018 as a base, reduce thermal coal assets to half or less by 2025 and to zero by 2050. (Target deadline moved to earlier date from the previously announced goal of reducing to half or less by 2030.) In principle, not acquire new thermal coal interests. Sojitz has no current assets of coal-fired power generation nor will we have future projects planned. <p>The thermal coal assets affected by these policies totalled JPY 50 billion, but we have already reduced JPY 40 billion of these assets as of the end of March 2022. When, by 2030, we reduce our thermal coal interests to zero, additional assets to be sold off or otherwise reduced will be about JPY 10 billion from FY2022.</p> <p>Based on the above policies, Sojitz sold its 10% stake in Moolarben Coal Mine, a thermal coal mine located in New South Wales, Australia, to a wholly-owned subsidiary of project partner Yancoal Australia Ltd., for AUD 300 million.</p>

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with our climate transition plan	<Not Applicable>

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

<Not Applicable>

Objective under which alignment is being reported

<Not Applicable>

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

34000000000

Percentage share of selected financial metric aligned in the reporting year (%)

37

Percentage share of selected financial metric planned to align in 2025 (%)

37

Percentage share of selected financial metric planned to align in 2030 (%)

37

Describe the methodology used to identify spending/revenue that is aligned

In FY2022, Sojitz executed approximately JPY 93 billion in investments of which approximately JPY 34 billion in investments were in focus areas such as infrastructure and healthcare (addressing social issues that include the need for essential infrastructure development and service businesses.)

Sojitz's main projects to fight climate change include an off-shore wind power generation business in Taiwan and biomass power generation business in Japan.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

969775

Base year Scope 2 emissions covered by target (metric tons CO2e)

152108

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1121884

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
60

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
448753.6

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
728600

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
206807

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
935407

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
27.7029532465032

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
FY2019 serves as the base year, with Sojitz and consolidated subsidiaries included in the scope.

Plan for achieving target, and progress made to the end of the reporting year
In terms of Scope 1 and 2, we are confirming response measures and implementation schedules together with Group companies with the highest emissions and introducing renewable energy for certain businesses.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 2: Capital goods

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

Category 9: Downstream transportation and distribution

Category 11: Use of sold products

Category 15: Investments

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

137

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

10950

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

53942

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

5041155

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

638089

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

5744273

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

5744273

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

0

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

350617

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

350617

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

350617

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

93.8962336922357

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

Applicable to Scope 3 emissions from thermal coal interests. Setting 2018 as the base year, we aim to reduce these interests to half or less by 2025 (based on book value) and to zero by 2030. If thermal coal interests are reduced to zero, annual Scope 3 emissions from thermal coal interests will also total zero.

Plan for achieving target, and progress made to the end of the reporting year

In terms of thermal coal interests, we have achieved our goal of reducing these interests to half or less by 2025 ahead of schedule. In addition, we will conduct assessments to get an overall view of Sojitz Group's Scope 3 emissions. In particular, we are measuring Scope3 beginning with the power generation section, which has high CO2 emissions and large-scale impacts on our businesses.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 3

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

<Not Applicable>

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

969775

Base year Scope 2 emissions covered by target (metric tons CO2e)

152108

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

1121884

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2050

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

728600

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

206807

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

935407

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

16.6217719479019

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

FY2019 serves as the base year, with Sojitz and consolidated subsidiaries included in the scope.

Plan for achieving target, and progress made to the end of the reporting year

In terms of Scope 1 and 2, we are confirming response measures and implementation schedules together with Group companies with the highest emissions and introducing renewable energy for certain businesses.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2021

Target coverage

Business division

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Fossil fuel reduction target	Other, please specify (Thermal coal interest assets)
------------------------------	--

Target denominator (intensity targets only)

<Not Applicable>

Base year

2018

Figure or percentage in base year

100

Target year

2030

Figure or percentage in target year

0

Figure or percentage in reporting year

18

% of target achieved relative to base year [auto-calculated]

82

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes, applicable to the aforementioned emissions target Abs2.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

Using 2018 as the base year, reduce thermal coal interest assets to half or less by 2025 and to zero by 2030. Target deadline moved to earlier date from the previously announced goal of thermal coal interests to half or less by 2030.

Plan for achieving target, and progress made to the end of the reporting year

In line with our policy of reducing our thermal coal assets, Sojitz sold its 10% stake in Moolarben Coal Mine, a thermal coal mine located in New South Wales, Australia, to a wholly owned subsidiary of project partner Yancoal Australia Ltd., for AUD 300 million in March 2020. As a result, Sojitz is making steady progress in reducing its thermal coal interests to zero by 2030.

Thermal coal interests (based on book value) are reduced from JPY 49 billion in FY2018 to JPY 10 billion in FY2022.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs3

Target year for achieving net zero

2050

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Please explain target coverage and identify any exclusions

FY2019 is set as the base year, and Scope 1 and 2 for existing businesses (non-consolidated and consolidated subsidiaries) are applicable.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

Sojitz initially focuses on electricity (SCOPE2) where clear alternatives exist, i.e. renewables.

We review businesses from perspective of decarbonization etc. against obsolescence risks.

For SCOPE1, we prioritize switching away from low-efficiency oil-fired power generation assets as their renewals become due. For the longer time horizon, we plan to focus on gas-fired power generation during transition period as alternatives such as hydrogen and ammonia are not yet economically justifiable and require further technological innovation.

Carbon offset certificates may be utilized for remaining CO2 emissions but only minimally.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	16	284724
To be implemented*	2	77427
Implementation commenced*	0	0
Implemented*	2	685
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV
------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

685

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

20557960

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	We established the Sojitz Group Environmental Policy and implemented e-learning, in-house training, and other activities to educate employees.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

The EU Taxonomy for environmentally sustainable economic activities

Type of product(s) or service(s)

Power	Solar PV
-------	----------

Description of product(s) or service(s)

By leveraging the knowledge we have gained through the development and operation of solar, onshore and offshore wind, and biomass power generation projects in Japan and overseas, we aim to further expand our business amid the global shift toward decarbonization. To this end, we will proactively promote business development in growth markets and offer supply services in response to demand for renewable energy from companies that have joined the RE100 initiative as well as from other companies.

Sojitz operates 14 renewable energy plants around the world (including 9 in Japan and 5 overseas). We began development of the Edenvale Solar Park (Queensland, Australia) in 2019. Construction of the solar power plant commenced in June 2021. With an installed capacity of 150 MW, this will be one of the largest solar projects to be undertaken by a Japanese company in Australia.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify (IEA's 1.5-degree scenario (IEA NZE 2050))

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Use stage

Functional unit used

Net Power-Generation Capacity (renewable energy) FY2020 Results : 360MW, FY2023 Forecast : 430MW

Reference product/service or baseline scenario used

World Thermal Power Intensity in 2021 published by IEA [745 g/kWh]

Life cycle stage(s) covered for the reference product/service or baseline scenario

Use stage

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

508994

Explain your calculation of avoided emissions, including any assumptions

A comparison was made between the benchmark(=745g-CO2/kWh) and intensity metrics for our company's renewable energy businesses(=zero), and renewable energy generation volumes were then multiplied.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

4

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Yes, a divestment

Name of organization(s) acquired, divested from, or merged with

Acquisition : MarineFoods/KUSHIRO MARUSUI/Okayama Air Service/Japcon

Divestment : First Tech

Details of structural change(s), including completion dates

The acquisition target was completed in the FY2022, and both the Retail & Consumer Service Division and the Aerospace & Transportation Project Division, as the supervisory departments, have conducted new data aggregation.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	No	<Not Applicable>

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	We consider the emissions from the consolidated subsidiary, which was included in our company in FY2019, as the baseline emissions.	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

April 1 2019

Base year end

March 31 2020

Base year emissions (metric tons CO2e)

969775

Comment

Scope 2 (location-based)

Base year start

April 1 2019

Base year end

March 31 2020

Base year emissions (metric tons CO2e)

152108

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

In power field supply chains, emissions related to the mining of thermal coal interests are generally recorded as Scope 3 in Category 1. However, as Sojitz Group conducts interest businesses as its trade, these interests are not recorded in Category 1 but as Scope 1 and Scope 2 emissions.

Scope 3 category 2: Capital goods

Base year start

April 1 2018

Base year end

March 31 2019

Base year emissions (metric tons CO2e)

137

Comment

Thermal coal interests related to Scope 3

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

April 1 2018

Base year end

March 31 2019

Base year emissions (metric tons CO2e)

10950

Comment

Thermal coal interests related to Scope 3

Scope 3 category 4: Upstream transportation and distribution

Base year start

April 1 2018

Base year end

March 31 2019

Base year emissions (metric tons CO2e)

0

Comment

Transportation-related information is summarized in Category 9.

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not applicable for measurement as quantities are insignificant.

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not applicable for measurement as quantities are insignificant.

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not applicable for measurement as quantities are insignificant.

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

There are no upstream lease assets in thermal coal interests sector, and these assets are therefore not relevant.

Scope 3 category 9: Downstream transportation and distribution

Base year start

April 1 2018

Base year end

March 31 2019

Base year emissions (metric tons CO2e)

53942

Comment

Thermal coal interests related to Scope 3

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Sales products are not processed and are therefore not relevant in thermal coal interests.

Scope 3 category 11: Use of sold products

Base year start

April 1 2018

Base year end

March 31 2019

Base year emissions (metric tons CO2e)

5041155

Comment

Thermal coal interests related to Scope 3

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Not applicable for measurement as quantities are insignificant.

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

There are no downstream lease assets in thermal coal interests sector, and these assets are therefore not relevant.

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

There are no franchises in thermal coal interests sector, and franchises are therefore not relevant.

Scope 3 category 15: Investments

Base year start

April 1 2018

Base year end

March 31 2019

Base year emissions (metric tons CO2e)

638089

Comment

Thermal coal interests related to Scope 3

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Japan Ministry of the Environment, Law Concerning the Promotion of the Measures to Cope with Global Warming, Superseded by Revision of the Act on Promotion of Global Warming Countermeasures (2005 Amendment)

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

728600

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

206807

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1293426

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Applicable to Scope 3 Category 1 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The breakdown includes thermal coal-related emissions (1,293,426tons). Petroleum gas power generation-related emissions are included in Category 3 and therefore excluded from this category.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

0

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Applicable to Scope 3 Category 2 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

In this year, emissions from both the coal business and the petroleum gas power generation business were zero, as there were no facility investments made in these sectors.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

28232

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Applicable to Scope 3 Category 3 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The breakdown includes petroleum gas power generation-related emissions (28,232tons).

(The petroleum gas power generation-related emissions consolidate fuel mining and transportation in this category.)

Until last year, emissions from the thermal coal business were also included, but due to the divestment of the equity, they are not included this year.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

182569

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Applicable to Scope 3 Category 4 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The breakdown includes thermal coal-related emissions (182,569 tons). Petroleum gas power generation-related emissions are included in Category 3 and therefore excluded from this category.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 5 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The amount of waste generated in our power generation sector is minimal, and due to the category's small impact on the overall emissions, it has not been included in the calculation.

Business travel

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 6 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The number of employees engaged in our power generation sector is minimal at the company-wide level, and due to its small impact on the overall emissions, it has not been included in the calculation.

Employee commuting

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 7 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The number of employees engaged in our power generation sector is minimal at the company-wide level, and due to its small impact on the overall emissions, it has not been included in the calculation.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The emissions relevant to this category are calculated under Scope 1 and Scope 2.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

0

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Applicable to Scope 3 Category 9 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

Until last year, emissions from the thermal coal business were included, but due to the divestment of the equity, they are not included this year.

In the petroleum gas power generation business, there is no downstream transportation, so it is considered out of scope for measurement.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 10 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

Products sold in our power generation sector are not processed, making it irrelevant.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

19433869

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Applicable to Scope 3 Category 11 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The breakdown includes thermal coal-related emissions (19,433,869 tons) and petroleum gas-related emissions are not applicable. (In supply chains within the power generation field, emissions from use of petroleum gas are generally recorded as Scope 3 in Category 11. However, our power generation businesses are part of its trade, and these emissions are therefore not recorded in Category 11, but rather as Scope 1 and Scope 2 emissions.)

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 12 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The amount of waste related to the products sold in our power generation sector is minimal, and due to the category's small impact on the overall emissions, it has not been included in the calculation.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 13 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

In our power generation sector, we do not own downstream lease assets.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Applicable to Scope 3 Category 14 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

In our power generation sector, we do not operate any franchises.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2629584

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Applicable to Scope 3 Category 15 of the power generation sector which is comprised of thermal coal businesses (interests/trading) and petroleum gas power generation businesses.

The breakdown includes thermal coal-related emissions (350,617 tons) and petroleum gas power generation-related emissions (2,278,968 tons).

Other (upstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

3.772e-7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

935407

Metric denominator

unit total revenue

Metric denominator: Unit total

247984000000

Scope 2 figure used

Location-based

% change from previous year

16

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Change in revenue

Please explain

In addition to the increase in revenue, the electricity consumption from solar power has increased at our subsidiary in Thailand.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO ₂ e)
Japan	45091.526
Thailand	22613.989
United States of America	4224.789
Brazil	8.496
Russian Federation	261.002
Canada	8501.27
India	150.397
Philippines	23569.8
Mexico	227.597
Viet Nam	10330.528
Sri Lanka	165240.503
Australia	75606.792
Indonesia	372688.439
Germany	66.681
China	18.56

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Automotive Division	1383.602
Aerospace & Transportation Project Division	9867.071
Infrastructure & Healthcare Division	193344.875
Metals, Mineral Resources & Recycling Division	76168.88
Chemicals Division	376208.677
Consumer Industry & Agriculture Business Division	56282.327
Retail & Consumer Service Division	14988.862
Corporate	356.074
Others	0

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Japan	20091.355	
Thailand	12468.55	
United States of America	9748.552	
Brazil	125.722	
Russian Federation	1225.668	
Canada	998.203	
India	75.217	
Philippines	8534.693	
Mexico	57.335	
Singapore	30.367	
Ukraine	6.197	
Puerto Rico	25.719	
Netherlands	32.536	
United States Minor Outlying Islands	9.916	
Hong Kong SAR, China	31.296	
Cayman Islands	2.169	
Viet Nam	110711.347	
Sri Lanka	1118.319	
United Kingdom of Great Britain and Northern Ireland	6.507	
Australia	34766.914	
United Arab Emirates	1.549	
Chile	0.62	
Indonesia	4294.647	
Germany	55.28	
China	2300.402	
Malaysia	12.085	
Republic of Korea	4.958	
Taiwan, China	9.916	
Belgium	0.62	
Myanmar	54.846	
Nigeria	2.789	
Kenya	2.789	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Automotive Division	3389.423	
Aerospace & Transportation Project Division	3529.03	
Infrastructure & Healthcare Division	5426.108	
Metals, Mineral Resources & Recycling Division	35019.43	
Chemicals Division	13852.48	
Consumer Industry & Agriculture Business Division	128520.344	
Retail & Consumer Service Division	14044.358	
Corporate	3025.911	
Others	0	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Yes

C7.7a

(C7.7a) Break down your gross Scope 1 and Scope 2 emissions by subsidiary.

Subsidiary name

Sojitz Foods Corporation

Primary activity

Agricultural products wholesale

Select the unique identifier(s) you are able to provide for this subsidiary

No unique identifier

ISIN code – bond

<Not Applicable>

ISIN code – equity

<Not Applicable>

CUSIP number

<Not Applicable>

Ticker symbol

<Not Applicable>

SEDOL code

<Not Applicable>

LEI number

<Not Applicable>

Other unique identifier

<Not Applicable>

Scope 1 emissions (metric tons CO2e)

0

Scope 2, location-based emissions (metric tons CO2e)

6

Scope 2, market-based emissions (metric tons CO2e)

Comment

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1203	Decreased	0.131	1,203ton-CO2e = 2,741,789kwh increase in renewable energy generation × 0.439 (Japan's electricity coefficient for 2022, Source: IEA) [Formula] Change in renewable energy consumption attributed to the reason described in column 1: 1,203t-CO2 Previous year. Scope1+2 emissions: 919,797t-CO2 Emissions value (percentage) = Change in renewable energy consumption attributed to the reason described in column1 ÷ Previous year Scope1+2emissions) × 100 = (1,203/919,797) ×100=0.131%
Other emissions reduction activities	0	No change		
Divestment	51	Decreased	0.006	Sold off one operating company. [Formula] Other emissions reduction activities attributed to the reason described in column 1: -51 t-CO2 Previous year Scope1+2 emissions: 919,797t-CO2 Emissions value (percentage) = (Other emissions reduction activities attributed to the reason described in column1 ÷ Previous year Scope1+2emissions) × 100 = (51/919,797) ×100 =-0.006%
Acquisitions	11356	Increased	1.235	We bought some companies. [Formula] Acquisitions attributed to the reason increased in column 1: 11,356t-CO2 Previous year Scope1+2 emissions: 919,797t-CO2 Emissions value (percentage) = (Change in renewable energy consumption attributed to the reason described in column1 ÷ Previous year Scope1+2emissions) × 100 = (11,356/919,797) ×100 = 1.235%
Mergers	0	No change	0	
Change in output	4305	Increased	0.468	Production increased due to recovery from the COVID-19 pandemic. [Formula] Other emissions attributed to the reason increased in column 1: 4,305t-CO2 Previous year Scope1+2 emissions: 919,797t-CO2 Emissions value (percentage) = (Other emissions reduction activities attributed to the reason described in column1 ÷ Previous year Scope1+2emissions) × 100 = (4,305/919,797) ×100 =0.468%
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	Unable to confirm heating value	0	3550429	3550429
Consumption of purchased or acquired electricity	<Not Applicable>	8349.64	806333.29	814682.93
Consumption of purchased or acquired heat	<Not Applicable>	0	0.31	0.31
Consumption of purchased or acquired steam	<Not Applicable>	0	36667.48	36667.48
Consumption of purchased or acquired cooling	<Not Applicable>	0	6.23	6.23
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	4381.66	<Not Applicable>	4381.66
Total energy consumption	<Not Applicable>	12731.3	4393436.32	4406167.62

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Coal

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

63857

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

63857

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

1200423

MWh fuel consumed for self-generation of electricity

780368

MWh fuel consumed for self-generation of heat

420055

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

2286148

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

2286148

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Total fuel

Heating value

Unable to confirm heating value

Total fuel MWh consumed by the organization

3550429

MWh fuel consumed for self-generation of electricity

780368

MWh fuel consumed for self-generation of heat

2770061

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	425701	1582	23795	1582
Heat	2770061	2770061	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

United States of America

Consumption of purchased electricity (MWh)

10924

Consumption of self-generated electricity (MWh)

237

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

29067

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

40228

Country/area

United Arab Emirates

Consumption of purchased electricity (MWh)

4

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

4

Country/area

United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)

15

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

15

Country/area

India

Consumption of purchased electricity (MWh)

109

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

109

Country/area

Indonesia

Consumption of purchased electricity (MWh)

5622

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

5622

Country/area

Ukraine

Consumption of purchased electricity (MWh)

14

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

14

Country/area

Australia

Consumption of purchased electricity (MWh)

51294

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

51294

Country/area

Netherlands

Consumption of purchased electricity (MWh)

74

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

74

Country/area

Canada

Consumption of purchased electricity (MWh)

7024

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

7024

Country/area

United States Minor Outlying Islands

Consumption of purchased electricity (MWh)

23

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

23

Country/area

Cayman Islands

Consumption of purchased electricity (MWh)

5

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

5

Country/area

Kenya

Consumption of purchased electricity (MWh)

6

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6

Country/area

Singapore

Consumption of purchased electricity (MWh)

69

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

69

Country/area

Sri Lanka

Consumption of purchased electricity (MWh)

1846

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1846

Country/area

Thailand

Consumption of purchased electricity (MWh)

26437

Consumption of self-generated electricity (MWh)

1275

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

27712

Country/area

Chile

Consumption of purchased electricity (MWh)

1

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1

Country/area

Germany

Consumption of purchased electricity (MWh)

308

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]
308

Country/area

Nigeria

Consumption of purchased electricity (MWh)

6

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6

Country/area

Philippines

Consumption of purchased electricity (MWh)

12171

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

<Calculated field>

Country/area

Puerto Rico

Consumption of purchased electricity (MWh)

59

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

59

Country/area

Brazil

Consumption of purchased electricity (MWh)

1141

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1141

Country/area

Viet Nam

Consumption of purchased electricity (MWh)

122173

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

7589

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

129762

Country/area

Belgium

Consumption of purchased electricity (MWh)

1

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1

Country/area

Malaysia

Consumption of purchased electricity (MWh)

28

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

28

Country/area

Myanmar

Consumption of purchased electricity (MWh)

125

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

125

Country/area

Mexico

Consumption of purchased electricity (MWh)

143

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

143

Country/area

Russian Federation

Consumption of purchased electricity (MWh)

3398

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

1

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3399

Country/area

Republic of Korea

Consumption of purchased electricity (MWh)

11

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

11

Country/area

Hong Kong SAR, China

Consumption of purchased electricity (MWh)

71

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

71

Country/area

Taiwan, China

Consumption of purchased electricity (MWh)

23

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

23

Country/area

China

Consumption of purchased electricity (MWh)

3781

Consumption of self-generated electricity (MWh)

0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3781

Country/area

Japan

Consumption of purchased electricity (MWh)

47284

Consumption of self-generated electricity (MWh)

70

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)

17

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

47371

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Independent Assurance Report and CDP letter.pdf

Page/ section reference

Page1-2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Independent Assurance Report and CDP letter.pdf

Page/ section reference

Page1-2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

- Scope 3: Purchased goods and services
- Scope 3: Capital goods
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets
- Scope 3: Investments
- Scope 3: Downstream transportation and distribution
- Scope 3: Processing of sold products
- Scope 3: Use of sold products
- Scope 3: End-of-life treatment of sold products
- Scope 3: Downstream leased assets
- Scope 3: Franchises

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Independent Assurance Report and CDP letter.pdf

Page/section reference

Page1-2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 2)	ISAE3000	We obtained KPMG Azusa's limited third-party sustainability assurance for Sojitz Group's power consumption.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

Japan carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Japan carbon tax

Period start date

April 1 2022

Period end date

March 31 2023

% of total Scope 1 emissions covered by tax

6

Total cost of tax paid

13031451

Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

We adopted the COP21 Paris Agreement in December 2015. Although the provisions do not contain any clear target for reducing total CO2 emissions, they do state the goal of keeping the increase in global average temperature to well below 2°C above pre-industrial levels and limit the temperature increase to 1.5°C.

Corporations are now being called upon to reduce their GHG emissions as the global trend towards low-carbon economies and decarbonization gains momentum.

In terms of electricity sales for Sojitz's two U.S. gas-fired power plants located in Pennsylvania and Connecticut, since these power plants produce more CO2 emissions than their given emission quotas, we purchase CO2 allowances from the market in accordance with the Regional Greenhouse Gas Initiative (RGGI).

The CO2 cost at RGGI rose from \$6/t-CO2 to over \$13/t-CO2 in 2022, and Sojitz bears the responsibility of covering costs in the event of a rise in CO2 prices.

For our scenario analysis based on the IPCC's 1.5°C scenario, we included costs assuming a rise in carbon prices and carefully examined our future business plans and strategies accordingly.

This analysis showed that the businesses were largely stable and could remain profitable, leading us to conclude that impact on our business strategies would be limited.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Social cost of carbon

Objective(s) for implementing this internal carbon price

Stakeholder expectations

Stress test investments

Scope(s) covered

Scope 1

Scope 3 (upstream)

Scope 3 (downstream)

Pricing approach used – spatial variance

Uniform

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

We anticipate increase of carbon price.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

1836

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

34000

Business decision-making processes this internal carbon price is applied to

Operations

Risk management

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

For our scenario analysis based on the IPCC's 1.5°C scenario, we included costs assuming a rise in carbon prices and carefully examined our future business plans and strategies accordingly.

In terms of electricity sales for Sojitz's two U.S. gas-fired power plants located in Pennsylvania and Connecticut, we purchase CO2 allowances from the market in accordance with the Regional Greenhouse Gas Initiative (RGGI) and bear the responsibility of covering costs in the event of a rise in CO2 prices. In terms of our coal interests, we have established a policy based on the results of our scenario analysis to cut our thermal coal interest in half or more by 2025, and zero by 2030. Based on this policy, in March 2020 we sold our 10% stake in a thermal coal interest in Australia for AUD 300 million.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers/clients

Yes, other partners in the value chain

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services
-------------------------------	---

% of customers by number

10

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Sojitz is working to expand its distributed solar power generation business by utilizing its Group companies. SOL Energy is currently installing rooftop solar panels that can provide over 10,000kW of solar power to customers at the Sojitz-operated Long Duc Industrial Park in southern Vietnam's Dong Nai Province. Installation of solar panels is expected to reduce CO2 emissions for Long Duc Industrial Park as a whole by approximately 6,000 tons annually. In addition to supplying customers with solar power over the long term, SOL Energy will use the surplus electricity to supply the industrial park's operating companies. In doing so, SOL Energy will contribute to utilization of renewable energy and decarbonization at the Long Duc Industrial Park.

Sojitz chose the Vietnamese market because Vietnam has the largest number of our overseas offices (10%), and in addition, we operate four industrial parks around the world with many tenant companies, half of which are located in Vietnam. Therefore, we expect to maximize CO2 reduction by reaching many clients.

Impact of engagement, including measures of success

To expand our distributed solar power generation business by utilizing our Group companies, we set a target of signing a PPA contract (approx. 9 MW) in Vietnam in FY2022. Sojitz proposed that the power sold was "electricity derived from photovoltaic power generation equipment installed on customers' roofs," and that the effective use of space on roofs could contribute to CO2 reduction and, consequently, climate change mitigation. As a result, we have concluded contracts for the expected capacity at the Rong Duc Industrial Park. We have also started discussions with customers in LOTEKO Industrial Park, the other industrial park of ours in Vietnam, and with factories of local group companies outside the industrial park and are currently working toward conclusion of contracts with them. We will continue to contribute to the reduction of CO2 emissions in the Vietnamese market in cooperation with our customers.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Sojitz established four trial planting sites in Japan for fast-growing Japanese aspen trees*1 in May 2022 with the help of introductions and sites provided by local governments and communities following Sojitz's outreach.

Planting sites include former farmland in Kawaminami, Koyu District, Miyazaki Prefecture (0.3ha), farmland in Ube, Yamaguchi Prefecture (0.1ha), and Makubetsu, Nakagawa District, Hokkaido Prefecture (0.1ha). Sojitz is continuing to conduct trials of high yield and low cost planting methods.

Sojitz has begun trial planting sites (approx. 11 ha) of sorghum*2 in Miyazaki Prefecture and Kagoshima Prefecture.

The crops will then be used as raw materials for biomass fuel and processed into livestock feed, which will be delivered to consumers as part of a trial for Miyazaki's Regional Circular Economy model.

*1: Sorghum: A gramineous plant that is one of the five major grains widely used for everything from food to industrial uses. There are many different varieties of sorghum and some of the fast-growing varieties can grow to over 5m just 4 months after planting.

*2: Japanese aspen (Hakoyanagi): A high-growth, short-rotation tree species that grows approximately 200m³/ha five years after planting.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Implementation of emissions reduction initiatives

Description of this climate related requirement

As a general trading company developing business around the world, Sojitz is involved in a wide range of supply chains. This means that one of the biggest challenges for Sojitz Group is figuring out how to work together with suppliers to reduce environmental and social (human rights) risk within our supply chains. Sojitz Group created the Sojitz Group CSR Action Guidelines for Supply Chains in 2010 based on the ten principles of the United Nations Global Compact, which are published to the Sojitz website. We share these guidelines with our suppliers and require them to develop climate change countermeasures; initiatives for effective use of water, waste materials, and other resources; measures to protect biodiversity; and responses to human rights violations. Climate-related requirements are stated in these guidelines, which include consideration for ecosystems, the environment, and environmental conservation within our business activities, as well as our commitment to prevent environmental pollution.

In the event of a material breach of the Action Guidelines, the Sojitz Group shall, upon verifying the facts, request that the supplier or other business partner improve the situation. If no improvement has been made after a specified period, we will take measures which may include a reconsideration of the contract with the supplier or partner. If necessary, the Sojitz Group shall, along with experts designated by the Group, visit the site concerned for investigation.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
Grievance mechanism/Whistleblowing hotline

Response to supplier non-compliance with this climate-related requirement

Suspend and engage
C12.2a Sojitz Group CSR Action Guidelines for Supply Chains.pdf

Climate-related requirement

Implementation of emissions reduction initiatives

Description of this climate related requirement

For power generation businesses in which the company is involved, Sojitz has announced that it will set its reduction targets below the power generation intensity levels referenced in the 1.5-degree scenario, which is backed by scientific research. For this reason, Sojitz requires suppliers to deliver high-efficiency turbines to gas-fired power plants that utilize turbines. While indirect, we believe this requirement encourages SBT compliance among suppliers.

% suppliers by procurement spend that have to comply with this climate-related requirement

1

% suppliers by procurement spend in compliance with this climate-related requirement

1

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment
First-party verification
Second-party verification
Off-site third-party verification
On-site third-party verification
Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Sustainability Challenge

C12.3 Sustainability Challenge.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

The basis for our strategy for addressing climate change is to contribute to the realization of a decarbonized society as announced in our long-term sustainability vision for 2050, the "Sustainability Challenge." This policy is in line with the Japanese government's decarbonization policy.

When directly or indirectly participating in government policies, the Sustainability Committee (chaired by Sojitz President & CEO and made up of Sojitz directors and executives) confirms that the policies are in line with our goal to contribute to the realization of a decarbonized society.

In August 2018, we declared our endorsement of the TCFD, and we conduct scenario analysis on business areas (coal interest business and power generation business) where we expect climate change to have a major impact on our business and finances as one of our strategies within the TCFD framework.

The results of this analysis are reported to the Sustainability Committee. Based on the results, we established our goal to reduce the assets of our thermal coal interests by 2030 half or less as compared to the end of March 2019.

In light of recent growing trends towards decarbonization and the opinions contributed by external experts during our periodic stakeholder dialogues, we chose to accelerate the timeline of our decarbonization targets and announced our goal to reduce the assets of our thermal coal interests by half or less by 2025 and to zero by 2030.

This new goal was determined following deliberation by the Sustainability Committee and after receiving approval from the Management Committee, and we have confirmed that our decarbonization initiatives are in line with TCFD recommendations and Japanese government policies. In terms of thermal coal interests (FY2022 book value basis), Sojitz has reduced its thermal coal interests to JPY 10.6 billion in FY2022, which is an approximately 70% reduction from the 2018 benchmark year. Sojitz has achieved its goal of reducing thermal coal interests to half or less by 2025 ahead of schedule.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Acquisition of carbon credits through a joint crediting mechanism (JCM) based on carbon capture, utilization, and storage (CCUS).

Category of policy, law, or regulation that may impact the climate

Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate

Low-carbon innovation and R&D

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

Indonesia

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Sojitz proposed to Lemigas, a company under Indonesia's Ministry of Energy and Mineral Resources, that they implement a CCUS-based JCM in southern Sumatra, and we introduced Japex as the optimal partner for that implementation. Japex and Sojitz had previously suggested to NEDO(New Energy and Industrial Technology Development Organization; a governmental organization) that they conduct a feasibility study if they were going to implement a CCUS project in Sumatra which could be expected to acquire a large number of carbon credits, aiming to simultaneously secure energy resources and curtail greenhouse gas emissions. They used NEDO's capital to conduct the F/S.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

At present, climate change measures are being advanced at the national and regional levels. Commercialization of carbon capture, utilization and storage (CCUS) is expected to provide global solutions for reducing greenhouse gas emissions and to offer new business opportunities associated with the reuse of supplemental greenhouse gases. Sojitz is therefore focusing on CCUS as a central business focus for achieving its climate transition plan.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Japan Business Federation (Keidanren)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

In order to address global warming, Sojitz has established CO2 emission reduction targets in accordance with the "Keidanren Carbon Neutrality Action Plan". Sojitz aims to reduce electricity consumption per floor space (electricity consumption per floor space of the entire company) by 15.7% in FY2030 compared to FY2013. As we have achieved the FY2020 reduction target (15.3% reduction from FY2009) in FY 2016, the FY2030 target was set in July 2018. Keidanren shares the same policy approach when it comes to achieving a decarbonized society.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

46924900

Describe the aim of your organization's funding

Sojitz is a participating member of the Japan Foreign Trade Council's Global Environment Committee under Keidanren which convenes four times annually. At a committee meeting, Sojitz recommended that reporting be made using energy intensity as opposed to energy usage metrics due to the fact that energy intensity allows for more accurate comparisons to be made in terms of actual changes over the years. Thanks to Sojitz's efforts, the Japan Foreign Trade Council (an industry organization for trading companies) has changed its reporting to use energy intensity metrics.

General trading companies play a key role in society by providing a stable source of energy.

From a decarbonization standpoint, we are at a turning point in the energy industry. For matters regarding decarbonization and energy, Sojitz seeks to express opinions not as a single company but as part of the larger industry of trading companies.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

C12.4 Securities Report.pdf

Page/Section reference

Securities report p20-p27

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Please select

Attach the document

C12.4 Business Report.pdf

Page/Section reference

Business Report p64-p69

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

C12.4 Corporate Governance Report.pdf

Page/Section reference

Corporate Governance Report P81-P82

Content elements

Risks & opportunities
Emission targets

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

C12.4 Environmental Data.pdf

Page/Section reference

Environmental Data P1-P12

Content elements

Emissions figures

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Japan Climate Leaders' Partnership (JCLP) Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact	Sojitz is a participating member of the Global Compact Network Japan, which is made up of member companies of the United Nations Global Compact. Sojitz is a member of the Supply Chain Subcommittee, Environmental Management Subcommittee, Human Rights Due Diligence Subcommittee, Human Rights Education, SDGs Subcommittee, ESG Subcommittee, Reporting Research Subcommittee, Circular Economy Research Subcommittee. These subcommittees share case studies that are company-specific and advanced cases while simultaneously pursuing solutions based on the experience of participating companies in a wide-range of industries. Additionally, Sojitz Group implements knowledge gained through participation in these subcommittees. As a member of the Japan Climate Leaders' Partnership, Sojitz will advance carbon neutral initiatives and act in accordance with the Paris Agreement and U.N.'s Sustainability Development Goals (SDGs) to contribute to the realization of a decarbonized society through information dissemination and exchanges with other companies. In August 2018, Sojitz declared its endorsement of the final recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<ul style="list-style-type: none"> Sustainability Committee <p>Important matters concerning Sojitz Group's biodiversity are deliberated by the Sustainability Committee, chaired by the President & CEO. The Sustainability Committee is an executing body directly under the President & CEO. Its members include the CFO; the COO in charge of Corporate Planning, Corporate Sustainability Office, and Portfolio Transformation Office; the executive officers responsible for executive management of business divisions; the executive officer in charge of Legal, Internal Control Administration, and ERP Transition; the COO in charge of Human Resources, General Affairs & IT Operations; the COO in charge of Legal and Internal Control Administration; the COO in charge of PR and Risk Management; and the COO of the IR Office. Including the CEO, membership includes four directors. Additionally, one Audit & Supervisory Board Member attends meetings as an observer. Information deliberated and discussed by the Sustainability Committee is later reported to the Board of Directors and the Management Committee.</p> <ul style="list-style-type: none"> Organizations to Promote Sustainability <p>The Corporate Sustainability Office is an organization dedicated to promoting sustainability, under the management of the Executive Officer in charge of Corporate Planning. The organization functions as secretariat to the Sustainability Committee and works together with relevant Sojitz Group organizations on sustainability-related efforts.</p> <p>The CEO of Sojitz concurrently serves as chair of the Sustainability Committee. The CEO is responsible for directing Sojitz Group's sustainability policy—including biodiversity—and monitoring the status of the Group's sustainability initiatives. In addition, the Executive Officer in charge of Corporate Planning concurrently serves as the Executive Officer in charge of Sustainability to ensure the implementation and monitoring of sustainability measures. The Sustainability Committee is responsible for collecting information on the external environment and regularly reporting to the Management Committee and Board of Directors.</p>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	<Not Applicable>	Other, please specify (Endorsement of the Declaration of Biodiversity by Keidanren and Action Policy)

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

No

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Education & awareness

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Other, please specify (Indicator on Sojitz Wood Procurement Policy)

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
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C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President & CEO	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Please select	

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms