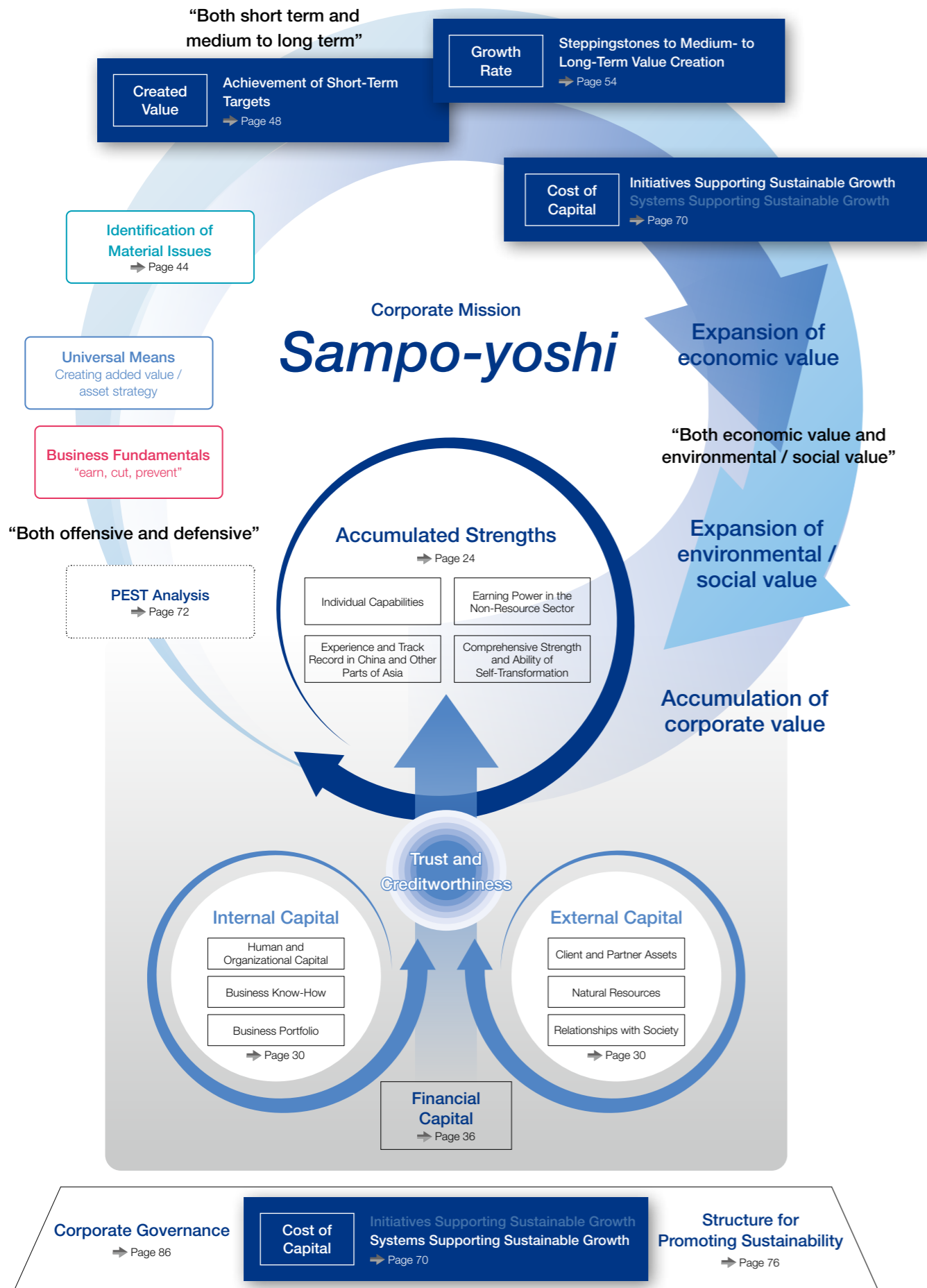


The “Merchant” Business Model



A Value Creation Model Centered on “Sampo-yoshi”

Explanation of Our Business Model

In enhancing corporate value, we must expand both economic value and environmental / social value. Specifically, we are working to expand created value (Achievement of Short-Term Targets), increase growth rate (Steppingstones to Medium- to Long-Term Value Creation), and lower the cost of capital (Initiatives and Systems Supporting Sustainable Growth). As a result, we will realize a virtuous circle as we reinforce capital, which is a driving force for sustainable value creation.



Business Fundamentals

“Earn”
Conduct trade aligning with changes in the world and customer needs

“Cut”
Reduce expenses that are not cost effective, reduce unnecessary meetings and documents

“Prevent”
Prevent outflows due to losses on receivables and impairment losses

Material Issues

- Evolve Businesses Through Technological Innovation
- Address Climate Change (Contribute to Realization of a Decarbonized Society)
- Cultivate a Motivating Workplace Environment
- Respect Human Rights
- Contribute to Healthier and More Enriched Lifestyles
- Ensure Stable Procurement and Supply
- Maintain Rigorous Governance Structures

Universal Means

Creating Added Value
By leveraging our unique ability as a general trading company to act as a coordinator, upgrade business management, and create synergies, we continuously create added value from customers' point of views, stabilize commercial rights, expand trade, and increase the overall value of businesses, including investees.

Asset Strategies
With the strategic importance of business investment increasing, we are emphasizing investment in our areas of strength while building and steadily implementing asset strategies that entail thorough risk management and the pursuit of asset efficiency.