

Editorial Policy

On the Publication of the Kanematsu Integrated Report 2023

In the *Kanematsu Integrated Report 2023*, in order to highlight our particular features as a trading company, we have particularly focused on 1. Reinforcing Groupwide management and 2. Human capital management, seeking to communicate the organizational strength of the Kanematsu Group and the strength provided by all the individuals within the Group.

In terms of reinforcing Groupwide management, the report focuses on the Group's redoubled efforts—spurred by the recent addition of Kanematsu Electronics Ltd. and Kanematsu Sustech Corporation as wholly owned subsidiaries—to work as one toward solving social issues, in particular accelerating digital transformation (DX) and green transformation (GX), and highlights initiatives aimed at the achievement of *future 135* and beyond. As for human capital management, the report explains the characteristics and strengths of our human capital, the Group's greatest asset, as well as challenges in this area, in light of the Group's newly established Human Capital Policy.

In preparing this report, we referenced various relevant guidelines and responses to surveys regarding previous reports, with cooperation from departments across the Company and discussion at the Board of Directors to ensure a proper editing process and the appropriateness of the report's content.

The Kanematsu Group will continue to use its *Integrated Report* as a tool for dialogue with shareholders, investors, and other stakeholders, working to enhance disclosure and increase enterprise value.



Shuji Masutani
Director, Executive Officer,
Chief Officer, Finance
(PR & IR), Accounting,
Business Accounting

Our Organizational Strength

Reinforcing Groupwide Management

Management oriented around creating shared value / Completion of *future 135*

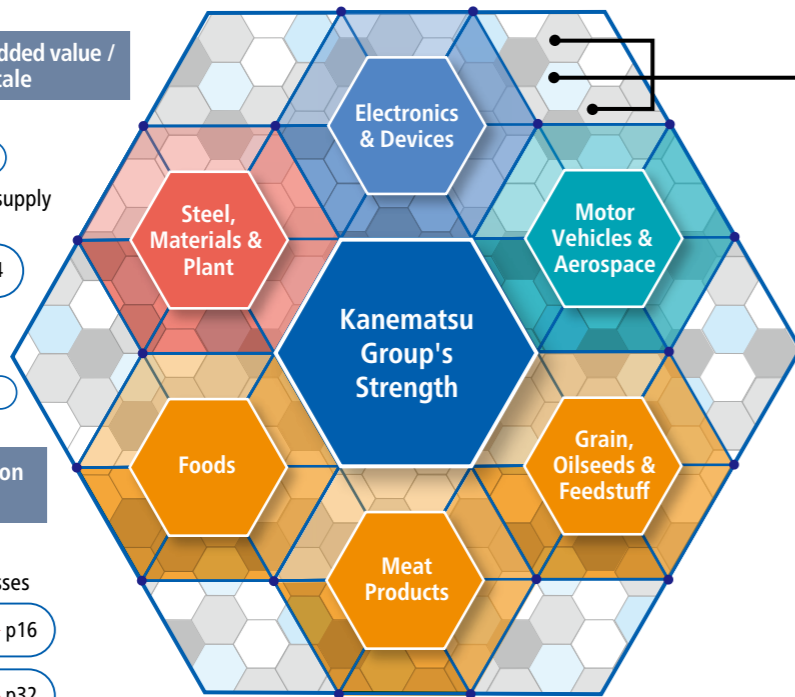
- Business aimed at solving social issues
Message from the Chair of the Sustainability Management Committee ▶ p34
- Reinforcing Groupwide management
Opening Feature: Strengthening Groupwide Management ▶ p2
- DX strategy
Message from the Digital Transformation Committee Chair ▶ p28
- GX strategy
Message from the Green Transformation Committee Chair ▶ p30
- Reinforcing corporate governance
Dialogue between the Chairman and Outside Directors ▶ p62

Stable earnings base / Added value / Expansion of scale

- Network expansion
Business Segments ▶ p80~
- Expanding our role in the supply chain
Business Model and Business Development ▶ p14
- Robust financial base and growth investment
Message from the CFO ▶ p24

Investment in innovation (seeds)

- Market creation
- Investment in new businesses
Message from the President & CEO ▶ p16
- Special Feature: Innovation Investment ▶ p32
- Business expansion through M&A and business alliances
future 135 Medium-Term Vision ▶ p22



Strength from individuals

Human capital management

- Promoting awareness of the Corporate Principle
Corporate Principle ▶ p9
- President Miyabe's Passion
Message from the President & CEO ▶ p16
- Human Capital Policy
Message from the Chief Officer of Human Resources ▶ p26
- Human Capital Management ▶ p49
- Increasing engagement through human resource development and work environment improvement
Human Resource Development / Work Environments for Employees ▶ p50

Editorial Policy

The content of the Kanematsu Group's integrated reports is based on an integrated reporting approach that references the International Integrated Reporting Framework of the IFRS Foundation, the Guidance for Collaborative Value Creation of the Ministry of Economy, Trade and Industry, and ISO 26000. We hope that the report will help readers deepen their understanding of the Kanematsu Group.



Forward-Looking Statements

This integrated report contains statements regarding the Kanematsu Group's plans, strategies, and expectations for future performance. Such statements are inherently subject to risk and uncertainty. Actual results could diverge materially from the Group's projections due to changes in the economic and market environment surrounding the Group's business areas, such as exchange rate fluctuation.

Scope of Report

Published: September 2023
Period covered: April 1, 2022 to March 31, 2023 (fiscal 2023) (Includes some information about events outside the period covered)
Scope of coverage: Kanematsu Corporation and the Kanematsu Group
Accounting standards: JGAAP for the year ended March 2014 and earlier and IRFS for the year ended March 2015 and after, unless otherwise noted

Contents

2 Opening Feature Strengthening Groupwide Management



The Origins of Value Creation

- 8 The Kanematsu Group's Origins / Who We Are
- 10 The Kanematsu Group's History
- 12 Value Creation Process
- 14 Business Model and Business Development

The Kanematsu Group's Value Creation

16 Message from the President & CEO



- 22 *future 135* Medium-Term Vision
- 24 Message from the CFO
- 26 Message from the Chief Officer of Human Resources
- 28 Message from the Digital Transformation Committee Chair
- 30 Message from the Green Transformation Committee Chair
- 32 Special Feature: Innovation Investment

Kanematsu's Foundations

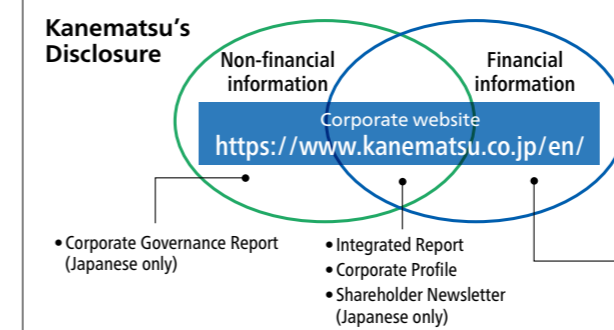
34 Message from the Chair of the Sustainability Management Committee

- 36 The Key Issues and Our Activities / The Process of Identifying Key Issues
- 38 Progress on Key Issues
- 40 Addressing the Five Key Issues
- 40 Building a Sustainable Supply Chain
- 40 The Kanematsu Group's Supply Chain Management
- 42 Initiatives to Ensure Respect for Human Rights
- 45 Decarbonization Initiatives
Disclosure based on the TCFD Recommendations
- 48 Mutual Development with Local Communities
Social Contribution through Our Operations
- 49 Creating an Environment That Enables Diverse Work Styles
- 49 Human Capital Management
- 50 Human Resource Development
- 54 Work Environments for Employees



62 Dialogue between the Chairman and an Outside Director

- 65 Messages from the Outside Audit & Supervisory Board Members
- 66 Corporate Governance
- 76 Corporate Officers
- 78 Business Segments
- 80 Electronics & Devices
- 82 Foods
- 84 Meat Products
- 86 Grain, Oilseeds & Feedstuff
- 88 Steel, Materials & Plant
- 90 Motor Vehicles & Aerospace
- 92 Financial and ESG Highlights
- 94 Management's Discussion and Analysis
- 96 Major Group Companies
- 97 Corporate Profile



IR Disclosure

The Kanematsu Group strives to ensure transparency and foster dialogue through prompt, accurate, and fair disclosure to all stakeholders.

- Financial Statements / Quarterly Reports
- Financial Summary
- Financial Highlights/ Supplementary Materials
- Financial Overview (briefing presentation materials)
- General Meeting of Shareholders (once a year)
- Financial Results Briefing (twice a year)
- Meetings of institutional investors and analysts with the President & CEO and/or CFO