

Disclosure of Sustainability Data

Kanematsu GmbH

This report is published by Kanematsu GmbH as a voluntary disclosure of its sustainability information on a non-consolidated basis, with reference to the Voluntary Sustainability Reporting Standard for non-listed micro, small and medium-sized Enterprises (VSME). In addition, this report incorporates a Double Materiality Assessment (DMA) across our value chain to identify and prioritize sustainability issues that are material to Kanematsu GmbH.

Since Kanematsu GmbH is a wholly owned subsidiary of the Kanematsu Group and has been implementing sustainability initiatives in accordance with the Kanematsu Group's policies, we disclose the Kanematsu Group's policies and initiatives as well as Kanematsu GmbH's unique sustainability initiatives. We use "the Kanematsu Group" or "the Group" as the subject for information related to the Kanematsu Group, and "Kanematsu GmbH" for information related to Kanematsu GmbH.

In this report, quantitative information was prepared based on information in FY2025, while qualitative information was based on information as of the reporting date.

Table of Contents

1. [Cover & Company Overview](#)
 - 1-1 Company Overview
 - 1-2 Corporate Principle and Corporate Culture
 - 1-3 Value Creation Process
2. [President's Message](#)
3. [Business Overview](#)
4. [Sustainability & ESG](#)
 - 4-1 Materiality
 - 4-2 Sustainability Overview
 - 4-3 Climate Change
 - 4-4 Environment
 - 4-4-1 Environmental Policy
 - 4-4-2 Pollution
 - 4-4-3 Water and marine resources
 - 4-5 Human Rights
 - 4-5-1 Overview of the Company's Respect for Human Rights
 - 4-5-2 Human Rights Due Diligence
 - 4-5-3 Workers in the value chain
 - 4-5-4 Human Capital Development Policy
 - 4-5-5 Work Environment Policy
 - 4-6 Corporate Governance
 - 4-7 Business Conduct
5. [ESG Highlights](#)
 - 5-1 Climate Change
 - 5-2 Pollution
 - 5-3 Water
 - 5-4 Social Metrics
 - 5-5 Status of Director

1. Cover & Company Overview

1-1. Company Overview of Kanematsu GmbH

Countries with branch/representative offices: Germany, Italy, Hungary

Kanematsu GmbH Duesseldorf Head Office

Niederkasseler Lohweg 18, 40547 Düsseldorf, Germany

Kanematsu GmbH Munich Branch

Karl-Theodor-Str.55, D-80803 Muenchen, Germany

Kanematsu GmbH Milano Branch

Via Filippo Turati u.26, 20121 Milano, Italy

The Representative of Kanematsu GmbH Budapest

H-1034 Budapest, Bécsi út 126-128.Building "C", 3rd floor, room no.:310, Hungary

Legal form of the business: GmbH

Number of employees: 36 (as of 31 March 2025)

1-2. Corporate Principle and Corporate Culture

Corporate Principle

"Let us sow and nurture the seeds of global prosperity"

"Sow a seed now," and take action to benefit people around the globe, bade our founder, Fusajiro Kanematsu, setting standard of public duty that we at Kanematsu continue to uphold through a commitment to ethical business principles and corporate responsibility. The beliefs and philosophies that inspired Fusajiro Kanematsu in the late nineteenth century Meiji period, a time when Japan was striving to build national economy, were encapsulated in the document Our Beliefs: Kanematsu's Guiding Principles in 1967, on the occasion of our merger with The Gosho Company.

Our Beliefs

1. Reflecting the pioneering spirit of our predecessors, we believe that fairness and justice should guide our business dealings and the wise use of creative imagination and ingenuity will bring prosperity.
2. Our purpose as a Company is not only to build a sound and flourishing business, but to fulfill our responsibilities as a corporate citizen, contributing to society and the security and well-being prosperity.
3. As members of a corporation, we act not as individuals but as representatives of that organizations and as such we are bound by Company rules and attendant loyalties and must work together with a spirit of cooperations while cultivating mutual understanding and respect for fellow members.

Kanematsu's Code of Conduct

Kanematsu's Code of Conduct is the standards set for Kanematsu's corporate activities under our Corporate Principle.

1. Origin of corporate activities

We are engaged in corporate activities to serve our various stakeholders by providing socially valuable goods and services in accordance with the aim of our Corporate Principle to realize a sustainable society.

2. Fair transactions

Our corporate activities are conducted in compliance with laws and ordinances in Japan and abroad, international rules and practices, and internal rules, as well as with social common sense.

3. Information management & disclosure

Information is properly managed to protect personal information, customer information and intellectual property, and is disclosed in a timely and proper manner to establish mutual trust between the Kanematsu and the community and maintain a high level of transparency.

4. Respect for human rights

We respect human rights and do not discriminate. Employee career development and capability development are actively supported. Diversity, personality and character are respected so as to create a dynamic corporate culture.

5. Consideration of the global environment

We exercise sufficient consideration in our corporate activities to maintain a sound global environment for sustainable growth.

6. Social Contribution Activities

We are aware of the importance of our social responsibility as good corporate citizens, and proactively undertake social contribution activities. Employee activities to contribute to community development and to comfortable and safe living are supported.

Mission, Vision, Values (MVV)

Mission Cultivate the seeds of new endeavors and create a business embraced now and in the future.

Vision A solutions provider leading the transformation of efficient and sustainable supply chains

Values Explore with Curiosity

Engage with Courage

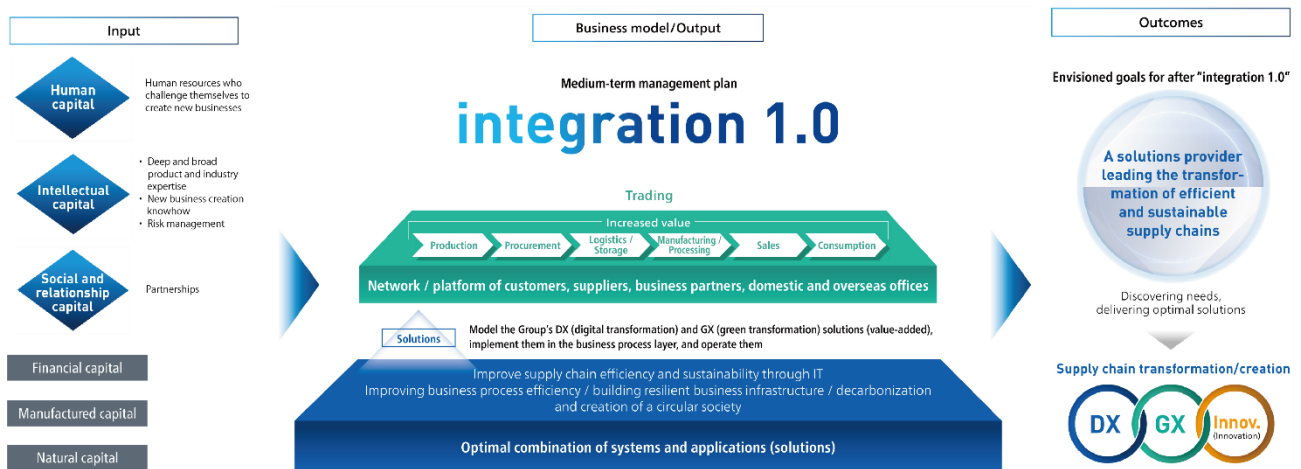
Collaborate with Passion

Lead with Determination

Shape the Future

1-3. Value Creation Process

Kanematsu Group has set out its vision as a solutions provider leading the transformation of efficient and sustainable supply chains” in its mid-term management plan “integration 1.0” in FY2025.



Furthermore, on 15 August 2025, under Kanematsu’s corporate philosophy (Corporate Principles and Our Beliefs), Kanematsu Corporation formulated Mission, Vision, and Values (MVV) as a guiding principle for promoting business activities. The company positioned the aforementioned aspiration as the Vision in MVV, designated it as the updated version of Kanematsu Group’s medium-term management plan, integration 1.1, and resolved to focus on establishing a value creation process.

The Mission “Cultivate the seeds of new endeavors and create a business embraced now and in the future” represents our core approach to serving as a trusted partner to customers.

The five Values (“Explore with Curiosity,” “Engage with Courage,” “Collaborate with Passion,” “Lead with Determination” and “Shape the Future”) are intended to robustly support promotion of the six Basic Policies at the concrete practical level.

- For example, “Engaging with Courage” in frank cross-departmental dialogue leads to (3) “Strengthening of organizational capabilities” by helping to foster a culture where individual tacit knowledge is shared. “Exploring with Curiosity”—identifying needs that customers themselves are not aware of—elevates that experience to seeds for valuable proposals (explicit knowledge).
- Based on (1) “Groupwide management,” “Collaborating with Passion” can help combine internal and external insights, thereby growing those seeds into concrete integrated solutions for the (2) “Expansion of value proposition.”
- The process of taking on such challenges with agility in line with the “Lead with Determination” mindset will help promote individual growth and lead to (4) “Strengthening human capital.” Furthermore, toward creating value to “Shape the Future,” we will drive the (5) “Enhancement of

management functions” through utilizing AI and other means.

Six basic policies and structures of “integration 1.0”



We will ensure that our Vision is realized by coordinated integration of the six Basic Policies as presented above, as well as continuous implementation of the value creation cycle guided by MVV. We firmly believe that accelerating our shift to a solutions provider through these initiatives will ultimately lead to (6) “Maximizing shareholder value.”

2. President's Message

When Mr. FUSAJIRO KANEMATSU founded our company in 1889, he defined our Corporate Principle as: “Let us sow and nurture the seeds of global prosperity.”

Since then, the Kanematsu Group has been developing, sourcing, and delivering goods and services to the people who need them across the world.

As the core company of Kanematsu Group in Europe, Kanematsu GmbH was established in 1957.

Our business has been spread out in various fields such as food, electronic equipment, steel, chemicals, and motor vehicles and parts since then.

In 2025, on 15th August as the Founding Anniversary, Kanematsu has established our Mission, Vision, and Values as guidelines for promoting our business activities based on our Corporate Principle,

Kanematsu GmbH would like to take a leading role in solving social problems as a solution provider to foster a better society. We will work toward forming trade and investment bridges over Europe and the world, by cultivating the seeds of new endeavors and creating a business embraced now and in the future.

President

Kaori Kusuda

3. Business Overview

Electronics & Devices

In Electronics & Devices Division, utilizing the know-how that we have accumulated through our extensive experience, we propose a value chain from the development stage to the supply of commercial products that meet the needs of our customers, aiming to build businesses with high added value.

For each product that we offer, we aim to be a world leader. Optimally shifting our resource focus to expanding markets in Asia, emerging countries, the U.S., and EU market, we accurately identify local needs and take steps to expand our base. In the meantime, to expand our business and improve our functions, we aim to form a capital and business alliance and create new value, understanding our suppliers' technical capabilities and quality.

Based on the Kanematsu Group's global purchasing power, selling power, and high added-value functions, we continue to contribute to economic growth around the world, including emerging countries.

Particularly in Europe, we are actively focusing our business in the field of industrial printers, such as ID card printers, Photo printers, printer peripherals, and consumables throughout Europe. We are also focusing on developing new equipment and offering plastic-free alternatives and products and materials with low environmental impact so that we can quickly respond to customer needs.

Foods, Meat & Grain

Our mission is to drive the advancement of agriculture, food, and nutrition on a global scale by harnessing creativity, innovation, and a traditional spirit of challenge. We primarily export products to the Japanese market through our established partnerships with European suppliers of processed foods such as fruits, vegetables, wine, and meat (*1), as well as feed and grains like soybeans (*2), corn, and oats. Furthermore, we supply authentic high-quality, safe, and secure Japanese foods such as sake, tofu (*2), rice (*3) and premium ingredients (*4) via our distribution channels in Europe to respond to growing health consciousness in the European market.

With heightened awareness of human rights and environmental issues, there is growing demand for sustainable, third-party certified ingredients. We possess expertise in food distribution, manufacturing, sales, and quality control, and conduct procurement from the perspective of our clients, taking into account the construction of sustainable supply chains.

(*1) We work with Danish Crown A/S, a leading Danish food company, to support the development of a transparent pork supply chain for the Japanese market.

(*2) Kanematsu Group owns and operates [KG Agri Products Inc.](#), a U.S.-based facility for Non-GMO soybean for a broad variety of food applications and supply to European and global market.

(*3) [Kanematsu Vietnam Co., Ltd.](#) expanding Rice Market in EU

(*4) We supply “RTRS (Round Table on Responsible Soy Association) -certified” sustainable defatted soybeans for soy sauce production in the European market. RTRS is a non-profit organization founded in Zurich, Switzerland in 2006 to promote responsible soybean production, trade, and increased use.

Steel, Materials & Plant *implemented the Double Materiality Assessment*

In the Steel, Materials & Plant Division, we cover a wide range of areas including trading in steel products in general and energy solutions including petroleum products, trading in functional chemicals, machinery, and the plant/infrastructure business. In each area, our employees use their high level of expertise to provide products with high added value and develop new products.

The Kanematsu Group brings together its comprehensive strength in the pursuit of integrated business operations beyond boundaries and will also focus on investment in overseas business centered on our area of specialty, environment/energy.

Particularly in Europe, we are focusing on following two business fields:

Steel

Having a strong partnership with the worldwide manufactures of steel, metal, and alloys, we have been selling those high-quality products all over Europe. Throughout our long sales history, we have established long and good relationships with many European customers and business partners, and we are always making proposals to meet the needs of our customers.

We are implementing CBAM (Carbon Border Adjustment Mechanism) compliance measures, establishing reporting systems aligned with EU regulations, and investing in low-carbon technologies. Meeting the needs of environmentally conscious markets within Europe presents an opportunity to expand our portfolio of higher-value-added products, while also exploring new markets outside the region.

- Electrical steel sheets & Ultra-thin electrical steel sheets and strips
- Stainless & High Nickel Alloy
- Titanium
- Wire Rod & Steel Bar
- Welding Consumables
- Line pipe, specialty pipe and tube, automotive pipe and tube, and structural pipe

Chemical

We are a global trader of a wide range of chemical products and have been challenging ourselves to meet the various needs of our customers in the world.

We have established a firm relationship with our European suppliers and customers in Asia. Our product ranges from healthy food, protein, functional chemicals, bioplastic products, to fine chemicals such as APIs, pharmaceutical intermediates & formulations, and we are actively expanding our operations beyond existing core areas to investments in new technologies like plastic recycling and engineered structural proteins. For the European market, we introduce materials compliant with REACH regulations and new materials with reduced environmental impact, serving as a bridge for global environmental initiatives.

Motor Vehicles & Aerospace *implemented the Double Materiality Assessment*

Business Overview

At Kanematsu, our Motor Vehicles and Aerospace Division is committed to delivering excellence on a global scale, leveraging our extensive domestic and international networks. In the motor vehicles and parts industry, we take great pride in providing the highest quality products and services to serve the increasingly sophisticated and diverse global automotive market. Our exceptional sales force, unparalleled sourcing capabilities, and world-class logistics network in Japan and overseas, allow us to exceed our customers' expectations.

Our aerospace division is focused on expanding both the aircraft parts and sales businesses, while also exploring opportunities in emerging space-related markets. We are dedicated to delivering the most advanced and innovative solutions to meet the evolving needs of our customers, positioning ourselves at the forefront of innovation and progress.

Sustainability Contributions of the division

Kanematsu corporation pledged its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and disclosed the information regarding climate change-related business risks and opportunities in accordance with the TCFD's framework for the Motor Vehicles & Parts business in Europe. These efforts reflect our dedication to building a resilient and responsible business that supports a low-carbon society.

In Europe, we have been prioritising delivering premium motor vehicle and motorcycle parts to our esteemed OEM customers. Our established supply chain, spanning the globe, is underpinned by our unwavering commitment to quality and excellence.

Medium-to-Long-Term Value Creation

We continuously strive to provide exceptional solutions and products, tailored to the specific needs of our customers, and are expanding our offerings to include new and exciting services such as vehicle data tracking, design and development, and introduction of innovative new materials.

Through next-generation mobility initiatives, we are working toward an environmentally conscious,

sustainable, and accident-free living environment.

Our exploration expands from enhancement of battery performance, to joint application development of (*1) CARBON FLY Inc.'s carbon nanotube (CNT) materials with customers and Kanematsu Group, innovative technology products for small electric vehicles, including CNT and Zero Emission Vehicle (ZEV) components. These innovations position us at the forefront of sustainable mobility and materials science, contributing to long-term value creation and environmental stewardship.

(*1) Investment in CARBON FLY Inc., a Startup Making Advanced Carbon Nanotubes

4. Sustainability & ESG

4-1. Materiality

Business Model and its Value Chain VSME C1

In Kanematsu GmbH, four divisions, namely Electronics & Devices, Foods, Meat & Grain, Steel, Materials & Plant, and Motor Vehicles & Aerospace, handle a variety of products and services for Europe. Since 1957 when the Kanematsu Group established a base in Germany, Europe has been an important market for the Group. Today, the Group particularly recognizes Europe as a market that serves as a place for value creation toward realizing a sustainable society through conducting business activities that comply with high standards, and laws and regulations for ESG.

In the business form of Kanematsu GmbH, there are relations of dependences and impacts on the environment and with many stakeholders in the course of commercial distribution and logistics for transactions on the value chain. We will strive to promote sustainability by conducting corporate activities that reward various stakeholders through the provision of socially valuable products and services in accordance with the corporate principle and corporate philosophy, and aim to enhance our corporate value by earning recognition from all stakeholders such as customers/business partners, shareholders/investors, local communities, employees, and the government/governmental agencies.

Identification of Key Issues (Materiality)

Kanematsu Group established five key issues (Materiality) that the Group needed to engage in through its business operations. This was in view of global trends such as the Sustainable Development Goals (SDGs), stakeholders' expectations, Kanematsu's philosophy, and the importance of those issues on its business.

At Kanematsu GmbH, we implemented the Double Materiality Assessment (DMA) for its core businesses—the motorcycle vehicles & parts business and steel business—based on the ESRS (European Sustainability Reporting Standards) topics, taking into account both general and industry-specific IROs (impacts, risks and opportunities), while considering the business model across all operations.

As a result of the DMA, we identified the followings as material issues: Climate change (adaptation, mitigation, and energy), Own workforce (working conditions, equal treatment and opportunities for all), Business conduct (corporate culture). Furthermore, since in these fields, we import high-quality products processed mainly by Japanese supplies to Europe and sell them to various manufacturers and wholesalers in Europe, including major manufacturers highly conscious of ESG, we have determined that pollution (air and water), water and marine resources (water), workers (working conditions, equal treatment and opportunities for all, and other work-related rights) are also material issues in the value chain.※

※In this report, we refer to this as “material issue in the value chain”

4-2. Sustainability Overview

The challenges facing international society today, such as climate change and other increasingly serious social and environmental problems, are growing more diverse and complex. Kanematsu Group believe that carrying out corporate activities proactively, with an awareness of these challenges and a sense of mission, serves to both help address such challenges and promote the growth of the Group. With an eye toward cooperation and mutual development with our customers and business partners, we will continue to leverage the insight and know-how built up over Kanematsu's long history to provide goods and services with added value. Through these corporate activities, we aim to achieve the sustained development of the global environment, society, economy, and of the Kanematsu Group.

4-3. Climate Change

Climate Change Mitigation, Climate Change Adaptation, Energy

Policy: *quoted from* [Kanematsu's Code of Conduct](#) **VSME B2**

Consideration of the global environment

We exercise sufficient consideration in our corporate activities to maintain a sound global environment for sustainable growth.

Basic Approach and Policies **VSME B2**

In relation to SDG 13, Climate Action, Kanematsu corporation has selected and focused on particular businesses and promoted initiatives since its inception to create a business portfolio that does not include thermal power generation, coal, and other carbon-intensive businesses. In addition, all projects--investments, important contracts, significant asset purchases--are implemented in line with the Group's sustainability policy and key issues (materiality). It has thus developed a governance system for management and monitoring to ensure that Kanematsu Group does not engage in carbon-intensive businesses.

Thanks to these extensive efforts to control the environmental impact, CO₂ emissions (Scope 1, 2) from Group operations are extremely small relative to the Group's size. Kanematsu regards that it is unrealistic and difficult to set further reduction targets based on SBT (Science Based Targets), and maintains the current governance system to ensure that its emissions do no increase going forward. On the other hand, Kanematsu Group has actively engaged in a forest conservation project, Joint Crediting Mechanism project, and renewable energy-related projects in recent years, through which it aim to achieve a level of credits and avoided CO₂ emissions that significantly exceed the Group's CO₂ emissions. Kanematsu believes it is our mission as a trading company group playing a connecting

role in the supply chain, to contribute to the reduction of global emissions and decarbonization of the world. Although this approach does not align with the definitions presented in the SBT and other international standards, it embodies commitment to contribute to the international community, considering the business structure, model and its aspirations as a trading company group. Although Kanematsu GmbH has not set any target on a non-consolidated basis due to its insignificant emissions, it has been working on climate-related initiatives in line with the policies, governance, and strategy established by the Kanematsu Group.

Policy on Climate Change Mitigation and Adaptation

The Kanematsu Group set forth new guidelines on climate change in June 2025, and has been proceeding with initiatives under the following policies and targets.

1. Basic approach and policies: Control CO₂ emissions below the current 30,000 t-CO₂ mark, and aim to achieve a level of credits generated through business operations and avoided CO₂ emissions that significantly exceeds our Group's CO₂ emissions.
2. New indicators: CO₂ emissions and avoided CO₂ emissions (newly added)
3. New targets: CO₂ emissions 30,000 t-CO₂ or less, avoided CO₂ emissions 1,500,000 t-CO₂ (2050)

※As Kanematsu Group does not own many plants and generates little greenhouse gas emissions other than CO₂, it uses CO₂ emissions as the indicator for evaluating the climate-related risks and opportunities.

Actions/Resources **VSME B2, C2, C4**

Governance/Risk management

Execution

Kanematsu Group's business operations are promoted and executed by seven business divisions of Kanematsu Corporation Head Quarters, which are also responsible for identifying and evaluating climate-related risks in their respective business areas.

Management

The Sustainability Management Committee is made up of mainly chief officers (executive officers) of Kanematsu's business divisions, which are executive organizations, who are well versed in their respective businesses, and the Chief Officer of Corporate Planning (executive officer) who oversees the Group's basic management policy and strategy and the distribution of management resources and who also serves as the committee chair. It discusses the climate-related risks that are identified and evaluated by the sales divisions. It is also responsible for calculating the Group's CO₂ emissions on a regular basis, as well as discussing the factors contributing to increase or decrease of emissions and

measures for improvement to ensure comprehensive risk management.

Monitoring and Supervision

The Board of Directors receives regular reports from the Sustainability Management Committee and monitors and supervises the comprehensive management of climate-related risks in Kanematsu Group.

Risks and Opportunities

The Group conducted scenario analyses on six businesses: North American beef business, steel tubing business, corn business, kerosene business, coffee business and motor vehicles & parts business, on the basis of climate-related impacts (qualitative aspects) and sales/profit (quantitative aspects) The top priority areas in each of the businesses are as follows.

TCFD recommended disclosure items	Our business	Risks	Opportunities
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term (short-, medium-, and long-term, 4°C scenario and below 2°C scenario)	North American beef business	Rise in feed and pasture prices due to higher average temperature (physical risk)	New opportunities associated with the development/adoption of new technologies (plant-based meat)
	Steel tubing business	Decline in fossil fuel demand (transition risk)	New opportunities associated with the development/adoption of new technologies (CCUS, EOR)
	Corn business	<ul style="list-style-type: none"> Decline in sales due to a fall in meat demand, and an increase in procurement costs resulting from an increase in demand for non-feed uses (transition risk) Increase in procurement costs due to higher average temperatures and drought (physical risk) 	New opportunities associated with the development/adoption of new technologies (bioplastics)
	Kerosene business	Decrease in demand due to tightened regulations (transition risk) Supply chain disruption due to rising sea levels (Physical risks)	Expansion of renewable energy business and selling of low-GHG emission products
	Coffee business	Increased procurement costs due to tighter legislation (transition risk) Decrease in sales due to supply chain disruption caused by extreme weather events (physical risk)	Expansion of sustainable coffee sales
	Motor Vehicles & Parts business ※	Increased procurement costs due to higher prices of materials (transition risk) Decrease in sales of small engine vehicles parts due to tighter legislation (physical risk)	increased sales of small ZEV components changing from consumer preferences and attitudes

※Business related to Kanematsu GmbH

Scenario Analysis and Strategy Resilience

Of the above six businesses, the Motor Vehicles & Parts business is the primary business of Kanematsu GmbH, and the results of the scenario analysis are as follows.

Motor Vehicles & Parts business		Climate Change Drivers	Risk (×) Opportunity (○)	Financial Impact	4°C Scenarios		Below 2°C Scenarios		Measures
					2030	2050	2030	2050	
Transition risks	Policy and law	• Adoption of carbon pricing.	×	• Increase in operating costs due to introduction of carbon taxes, etc.	▲	▲	▲	▲	• Revision of sales price
			○	• Decrease in energy costs through thorough energy conservation initiatives	—	—	—	—	
		• Tightening of fuel and ZEV regulations.	×○	• Decline in sales of small engine vehicle parts/increase in sales of small ZEV parts due to stricter fuel efficiency regulations and ZEV (electric two-wheeled vehicles and fuel cell two-wheeled vehicles) regulations	—	—	▲	▲ (※)	• Promote sales of parts for motorcycles due to the expansion of the market for motorcycles • Strengthening sales of small ZEV parts
	Technology	• Capital investment in low carbon technologies	○	• Increase in sales of low carbon components and small ZEV components due to increased demand for low carbon technologies and products	—	—	—	—	
			×	• Increase in capital investment costs due to switch to renewable energy and introduction of energy-saving technologies	—	—	▲	▲	• Revision of sales price
	Market	• Changes in consumer awareness and preferences	×○	• Decrease in sales of small engine vehicle parts/increase in sales of small ZEV parts due to changes in consumer attitudes and preferences.	—	—	▲	▲ (※)	• Promote sales of parts for motorcycles due to the expansion of the market for motorcycles • Strengthening sales of small ZEV parts
		• Rising raw material costs	×	• Increase in procurement costs due to rising demand for low-carbon raw materials (e.g. steel) and rising prices of required raw materials.	—	—	▲	▲	• Revision of sales price
			○	• Creating opportunities by accessing new markets in the environmental sector	—	—	—	—	• Strengthening sales of DataTech's digital tachographs. • Enhance sales of Carbonfly's carbon nanotube products.
	Reputation	• Strengthening the demand for climate change action	×	• Decline in sales of small engine vehicles due to deteriorating corporate image with consumers over climate change compliance.	—	—	—	—	• Strengthening sales of small ZEV parts • Enhance sales of Carbonfly's carbon nanotube products.
			○	• Increase in demand and sales of small electric two-wheelers due to the use of electric vehicles as emergency power sources in the event of a disaster.	—	—	—	—	• Strengthening sales of small ZEV parts
Physical risks	Physical (acute)	• Intensification of abnormal weather (e.g. cyclones and floods).	×	• Loss of sales opportunities due to supply chain disruption	—	▲	—	—	• Building BCP measures in the supply chain.
			○	• Increase in demand and sales of small electric two-wheelers due to the use of electric vehicles as emergency power sources in the event of a disaster.	—	—	—	—	• Strengthening sales of small ZEV parts
	Physical (chronic)	• Changes in long-term weather patterns.	×	• Increase in energy costs due to a rising average temperature	—	—	—	—	• Revision of sales price

(※) By 2050, the increase in sales of small ZEV components will outweigh the decline in sales of small engine vehicle components due to the shift to small EV vehicles as a result of stricter environmental regulations.

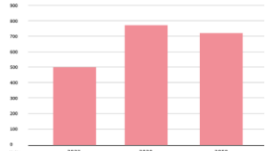
▲ Risks

Increase in procurement costs due to higher steel product prices could be a major burden

▲ Opportunities

In a motorcycle market that is expected to expand, in addition to parts sales for large vehicles, demand is expected to increase for new technology products (e.g. Carbonfly's carbon nanotubes, ZEV parts, etc.) and environmentally-friendly products (e.g. Datatec's digital tachographs) needed for small EVs to replace small engine vehicles. Sources.

Decarbonised steel products and price forecasts in the below 2°C scenario



Source : Prepared by the company, IEA, World Energy Outlook 2023

Transition in the ratio of (large and small) EVs and Engines in Motor Vehicles



Source : Prepared by the company, IEA, Net Zero by 2050 (P.138)

Motor Cycle Market Forecast



Source : Prepared by the company, Fortune Business Insights

For further information about the scenario analysis and strategy resilience on the other five businesses, please refer to the [link](#).

Metrics and Targets **VSME B2, C2, C3**

Indicator (CO₂ emissions)

As Kanematsu Group does not own many plants and generates little greenhouse gas emissions other than CO₂, it uses CO₂ emissions as the indicator for evaluating the climate-related risks and opportunities.

Targets

(Targets for Scope 1, 2 for Kanematsu Group)

(Unit:t-CO₂)

Fiscal year	Year	Target		The ratio of avoided CO ₂ emissions to CO ₂ emissions (b/a)	Excess amount of avoided CO ₂ emissions(b-a)
		(a)CO ₂ emissions	(b)Avoided CO ₂ emissions		
The fiscal year ended March 31, 2026	2025	30,000 or less	800,000	26.7 times	(△)770,000
The fiscal year ended March 31, 2031	2030	30,000 or less	1,000,000	33.3 times	(△)970,000
The fiscal year ended March 31, 2051	2050	30,000 or less	1,500,000	50.0 times	(△)1,470,000

(Targets for Scope 1, 2 and Scope 3)

Kanematsu Group will reduce CO₂ emissions by switching to renewable energy, and will strive to keep CO₂ emissions below 30,000 t-CO₂ even if the number of the group companies increases.

Furthermore, by expanding forest conservation projects such as REDD+, bilateral credit projects, and renewable energy-related businesses, it aims to increase our contribution to avoided emissions by 1,500,000 t-CO₂, equivalent to approximately 50 times the CO₂ emissions of the Group, by 2050, thereby contributing to GHG reductions in the international community.

With regard to Scope 3, the Group is in the process of sequentially calculating emissions by category, and therefore have not included them in the targets.

4-4. Environment

4-4-1. Environmental Policy

quoted from Kanematsu's Code of Conduct **VSME B2**

“Consideration of the global environment”

We exercise sufficient consideration in our corporate activities to maintain a sound global environment for sustainable growth.

4-4-2. Pollution *material issue in the value chain*

Basic Approach and Policies **VSME B2**

Anti-contamination

Kanematsu Group’s basic management policy for the environment is conducting corporate activities with sufficient consideration given to maintaining a healthy global environment and aiming for sustainable development. In addition, it has formulated the environmental policy from the perspectives of compliance with environment-related laws and regulations, attention to the environmental in business activities, etc. We Kanematsu GmbH understand that striving to proactively enhance environmental value by reducing environmental load and conserving the environment, including the prevention of pollution, is an important issue for Kanematsu Group as well.

Action/Resources **VSME B2**

In its core motorcycle parts business, we ensure strict compliance with the EU REACH Regulation and RoHS Directive, thereby limiting the use of hazardous substances and promoting responsible chemical management.

4-4-3. Water and marine resources *material issue in the value chain*

Basic Approach and Policies **VSME B2**

Because the Kanematsu Group conducts business activities all over the world, we are aware that water resources are important natural capital for businesses. While it is pointed out that the risk of drought across the globe affected by climate change associated with global warming is increasing, we recognize the finite nature of water resources and will continue to strive for their efficient use and conservation.

Process to Identify and Evaluate IROs

Using Aqueduct, an assessment tool developed by the World Resources Institute (WRI), the Kanematsu Group conducted an analysis of water stress levels at its manufacturing and processing sites (23 sites) globally. Business sites with extremely high-level water stress are designated as water-stressed locations. As of July 2025, it does not have any locations designated as water-stressed

areas.

Actions/Resources **VSME B2**

Initiatives to Reduce Water Usage

Danish Crown A/S, one of our most valued partners of pork-related products, is committed to reducing water consumption through process optimization and equipment upgrades.

4-5. Human Rights

4-5-1. Overview of Efforts to Respect Human Rights in Business

Policy **VSME B2**

Kanematsu Group's Human Right policy

Kanematsu Corporation has established the Kanematsu Group's Human Right policy, which applies to all officers and employees (including contract and temporary employees) of the Group.

The Kanematsu Group's Human Rights Policy ("the Policy") is based on the corporate philosophy and clarifies the measures to respect human rights in order to fulfill its responsibilities to all stakeholders.

The Kanematsu Group conducts business globally and recognizes that respect for human rights in a wide range of value chains is an important social responsibility. We take steps to remedy any adverse human rights impacts caused or contributed to by our business operations. In addition, even if adverse impacts are not caused or contributed to by our business operations, we work to remedy any adverse human rights impacts that our products or services are directly linked to through business relationships. We ensure the sustainability and resilience of our business by fulfilling our responsibility to respect human rights.

This policy applies to all officers and employees (including contract and temporary employees) of the Kanematsu Group.

The Group also requires its suppliers, clients, business partners, and other relevant parties to respond appropriately in accordance with the principles of the Policy and works with them to promote respect for human rights.

The Policy sets forth salient human issues, such as the prohibition of human trafficking, forced labor and child labor, the prohibition of discrimination and harassment, and the establishment of a safe and healthy work environment including accident avoidance.

Kanematsu GmbH is also committed to respect for human rights under the policy established by the Kanematsu Group.

Actions/Resources

Kanematsu GmbH relocated to a new, more employee-friendly office with the aim of improving engagement of its employees and the working environment.

Compliance

The Internal Control and Compliance Committee (hereinafter the "Committee") has been established as an organization under the direct control of the Management Committee in order to provide support and guidance to ensure compliance across the Group.

Furthermore, the committee has prepared the Kanematsu Group Compliance Handbook, which includes specific measures to prevent corruption, such as bribery, and it explains related measures with concrete examples and clearly states that the Group rejects any and all ties with antisocial forces. The Handbook has been made available through the company intranet to promote thorough awareness among all officers and employees.

The hotlines for reporting matters of suspected compliance violations involving harassment or bullying to the Committee have been established, with anonymous reporting available as well. The hotlines accept reports from all officers and employees (including contract employees, temporary workers, and secondees) as well as from former officers and employees within one year of their retirement.

A system has been established for applicable companies to create their own compliance code in accordance with the Handbook and take necessary and appropriate procedures, which are evaluated and verified regularly for its effectiveness and validity by the Internal Auditing Department and improved as needed.

Metrics and Targets **VSME B2**

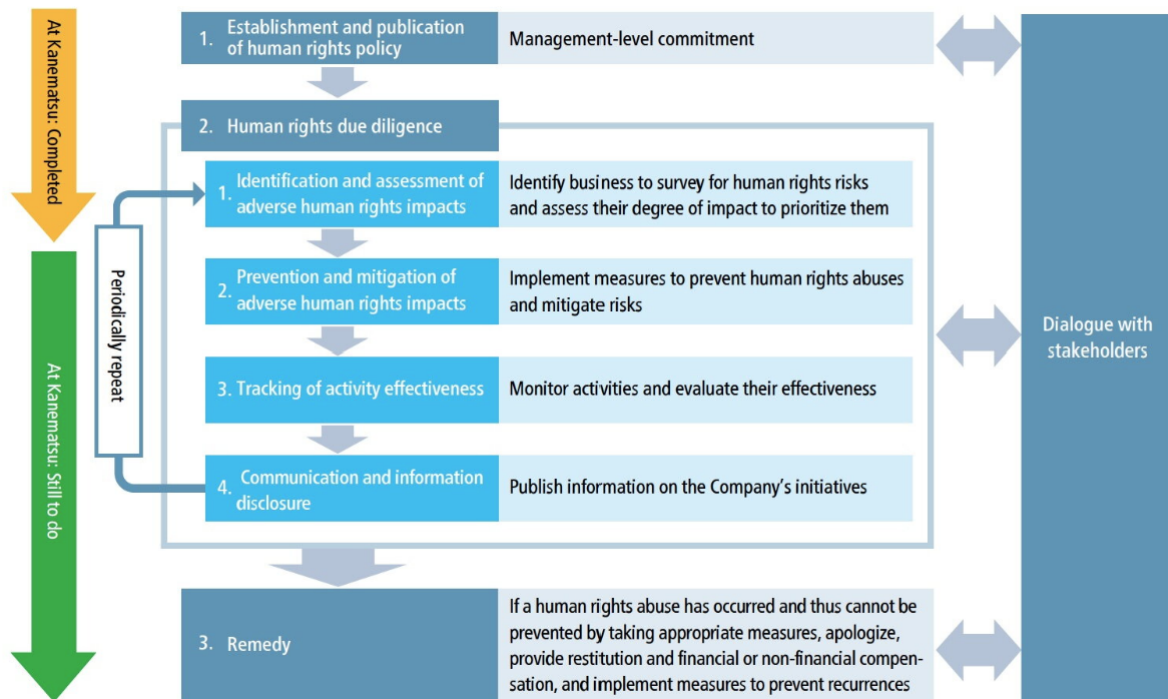
We are proceeding with the establishment of a work environment in which everyone can work more comfortably and demonstrate their abilities more, by conducting recruitment and promotion not bound by attributes as well as respecting and embracing diverse values and perspectives. In addition, no material incident has occurred in either the Kanematsu Group or Kanematsu GmbH.

4-5-2. Human Rights Due Diligence

The Kanematsu Group has established and continuously operates a system of human rights due diligence. The company implemented the initiatives as follows: identification and assessment of adverse human rights impacts, identifying businesses to survey for human rights risks and human rights issue impact assessment, identifying salient human rights issues, selection of the suppliers to send SAQ to understand the actual conditions of the individual human rights issues. As a result of survey of the salient human rights issues and the follow-up survey by onsite visit, the company was able to recognize the effectiveness and validity of additional surveys and onsite visits. Kanematsu

Group will continue to be committed to building sustainable supply chains together with its suppliers. For further information, please refer to the [link](#).

Overview of Efforts to Respect Human Rights in Business



Note: Diagram prepared by Kanematsu based on a diagram created by the Ministry of Economy, Trade and Industry

4-5-3. Workers in the Value Chain *material issue in the value chain*

Policy

Kanematsu Group is currently developing its own supply chain management process in line with the practical steps for corporate due diligence published by the OECD. As part of this initiative, it is focusing on building a system that will allow the Group to assess supplier risk from perspectives such as human rights, working environment, and environmental impact. We will continue to develop a framework for promoting cooperation across and beyond the company in order to establish the sustainable supply chain the Group hopes to achieve.

The Action policy for building a sustainable supply chain

We at the Kanematsu Group have the Corporate Principle on the basis of the words of founder, Fusajiro Kanematsu, "Let us sow and nurture the seeds of global prosperity." We make it our mission to contribute to the development of the global community and economy. Our business covers global markets, and we recognize that achieving stable and sustainable procurement, supply, logistics and services is one of our key issues in our diverse business activities.

To address this issue, we believe it is essential to appropriately recognize the negative impacts that our business activities or transactions with supply chain partners and other suppliers may have on

human rights, the environment, and society, and to conduct risk-based due diligence to mitigate these impacts. This approach aligns with the risk-based approach as advocated by the Organisation for Economic Co-operation and Development (OECD) in its Guidelines for Multinational Enterprises; we formulated the “Action policy for building a sustainable supply chain” in March 2024.

We promote the establishment of a sustainable supply chain by communicating, seeking the understanding of, and working together with our suppliers, business partners and others (hereinafter referred to as “suppliers and other relevant party”) about our approach as set out below.

1. Prohibition of forced labor and child labor

We prohibit labor practices that infringe human rights, such as forced labor and child labor.

2. Prohibition of discrimination and harassment

We respect human rights and prohibit discrimination and all forms of harassment based on race, skin color, beliefs, religion, nationality, age, gender, origin, physical or mental disability or other factors.

3. Respect for rights to freedom of association and collective bargaining

We respect basic labor rights, including the right to freedom of association and workers’ right to collective bargaining.

4. Proper management of working hours and wages

We manage the working hours of our employees appropriately, avoid excessive working hours and ensure that they are paid at least the minimum wage in accordance with the labor standards of the respective country.

5. Maintenance of the working environment

We regard the maintenance and promotion of employee health as an important management issue, promote health management and strive to create a safe working environment.

6. Impact on local communities

We give consideration to human rights issues in the communities in which our Group operates and contribute to the sustainable growth and development of local communities.

7. Ensuring fair trade and anti-corruption

We comply with the laws and regulations of the countries and regions in which we operate, and ensure fair trade and anti-corruption.

8. Consideration for the global environment

In our business activities, we shall give consideration to the impact on biodiversity, environmental pollution and other environmental issues, and strive to reduce consumption of energy, water and other resources, as well as emissions of greenhouse gases and waste.

9. Safety and security of products and services

To ensure the safety of the products we handle, we shall comply with relevant laws and

regulations and conduct appropriate product safety management.

10. Corrective action in cases of non-compliance

In the event of identified cases of non-compliance with this policy, we request corrective action from the supplier or other relevant party and, where necessary, provide guidance and support to the supplier or other relevant party. If it is deemed difficult to rectify the situation despite the ongoing guidance and support, we will take measures including a potential reconsideration of the business relationship with the suppliers or other relevant party.

11. Disclosure of information

We disclose information relating to the above policy in a timely and appropriate manner.

4-5-4. Human Capital Development Policy VSME B2

Policy and Basic Philosophy

As a trading company group that builds new businesses and promotes a sustainable society, Kanematsu Group will acquire, train, and develop its human resources, striving to quickly and flexibly identify and adapt to change in order to nurture a “Kanematsu Persons” who are loved and chosen by our many customers and business partners through their prompt perception and quick response to change.

4-5-5. Work Environment Policy VSME B2

Policy and Basic Philosophy

Kanematsu Group aims to build organizations that allow individuals to make the most of their abilities, respect each other, and are united by mutual respect as we work toward fostering a corporate climate in which individuals and organizations can enjoy constant evolution as existing businesses are renewed and new businesses created one after another.

To achieve these goals, the office environment and work flow, which constitute the foundation upon which employee engagement will grow, must be continuously reviewed to ensure the development of an environment unrestricted by time and location and in which employees can maintain and improve their health and work safely.

Hiring of People with Disabilities

Hiring of people with disabilities is implemented in compliance with employment laws and regulations.

Kanematsu Group's Human Rights Policy

Our Corporate Principle of "Let us sow and nurture the seeds of global prosperity" is currently a concept that is tied to the public interest, social contributions, as well as contributions to international society and to humanity in general. This is reflected in our corporate philosophy as the starting point for

our corporate activities.

The Kanematsu Group's Human Rights Policy ("the Policy") is based on our corporate philosophy and clarifies our measures to respect human rights in order to fulfill our responsibilities to all stakeholders. The Kanematsu Group conducts business globally, and recognizes that respect for human rights in a wide range of value chains is an important social responsibility. We take steps to remedy any adverse human rights impacts caused or contributed to by our business operations. In addition, even if adverse impacts are not caused or contributed to by our business operations, we work to remedy any adverse human rights impacts that our products or services are directly linked to through business relationships. We ensure the sustainability and resilience of our business by fulfilling our responsibility to respect human rights.

1. Scope of Application

The Policy applies to all officers and employees (including contract and temporary employees) of the Kanematsu Group. We also require our suppliers, clients, business partners, and other relevant parties to respond appropriately in accordance with the principles of the Policy and work with them to promote respect for human rights.

2. Compliance with International Standards and Laws

As a signatory to the United Nations Global Compact, we support and respect international standards on human rights including the International Bill of Human Rights (Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights), the International Labor Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work (conventions related to core labor standards), and the Children's Rights and Business Principles. We also respect human rights based on the UN Guiding Principles on Business and Human Rights.

We comply with the laws and regulations of the countries and regions in which we operate. If there is a conflict between internationally recognized human rights and the laws and regulations of each country or region, we seek ways to respect international standards of human rights.

3. Governance

An officer in charge of sustainability is responsible for the Policy and promotes efforts to respect human rights in accordance with the Policy. The Sustainability Management Committee comprising executive officers discusses the necessary measures to promote efforts and reports them to the Board of Directors. The Board of Directors supervises compliance with the Policy and the progress of efforts.

4. Human Rights Due Diligence

We identify and assess adverse human rights impacts of stakeholders involved in our business operations. We establish and continuously implement a human rights due diligence system to prevent and mitigate any adverse impacts.

- Scope and Human Rights Issues

We have designated salient human rights issues among the human rights issues that may arise in the value chain relating to the Kanematsu Group's business operations as outlined in the appendix and implement appropriate measures to address these issues.

- Identification and Assessment of Adverse Human Rights Impacts

We identify and assess potential and actual adverse human rights impacts.

- Human Rights Impact Assessment

In order to prevent and mitigate adverse human rights impacts, we take appropriate measures based on impact assessment results. When multiple adverse human rights impacts are identified, priority is given to those that have most severe impacts on stakeholders and where delayed response would make them irremediable.

- Continuous Monitoring

In order to fulfill our responsibility to respect human rights, we continuously monitor the implementation of measures to prevent and mitigate adverse human rights impacts, and periodically review the effectiveness of these measures.

5. Information Disclosure

We appropriately disclose the progress and results of our efforts to respect human rights both internally and externally through our website and other media.

6. Dialogue and Consultation with Stakeholders

We strive to improve our efforts to respect human rights by engaging in dialogue and consultation with relevant stakeholders regarding the progress and results of our efforts.

7. Dissemination and Periodic Review of the Policy

We provide all officers and employees with appropriate education and training to promote understanding and awareness of the Policy and human rights. We also strive to deepen the understanding of our suppliers, clients, and business partners regarding the Policy. Based on the ongoing implementation of human rights due diligence and the results of dialogue and consultation with stakeholders, we identify salient human rights issues on a case-by-case basis and implement periodic reviews of the Policy.

8. Remedy

If adverse human rights impacts are caused or contributed to by our business operations, or if such trends become apparent, we take appropriate steps to remedy them. As an effective remedy, we pledge to establish a reporting channel that is available to internal and external stakeholders, to ensure anonymity and confidentiality to those who report to the channel, and to protect whistleblowers from any disadvantages that may arise as a result of making a report.

This policy has been approved by the Board of Directors and signed by the President and CEO of

4-6. Corporate Governance

Policy and Basic Philosophy

Kanematsu's founder himself put down the words "Let us sow and nurture the seeds of global prosperity." The Kanematsu Group recognizes the pioneering spirit fostered by our predecessors along with the wise use of our creative imagination and ingenuity, fulfilling our corporate social responsibilities through sound, flourishing businesses, and adherence to Company rules as key parts of its Corporate Principle. We operate in accordance with this principle and our Code of Conduct, striving to carry out corporate activities to serve our various stakeholders and help realize a sustainable society by providing socially valuable goods and services.

To this end, Kanematsu Group endeavors to strengthen corporate governance to increase the transparency of management and create a more equitable, efficient, and sound company. Kanematsu GmbH responds in accordance with the Kanematsu Group's Rules on Delegation of Authority and relevant regulations. We work to improve corporate governance with the aim of increasing our enterprise value and winning the support of all our stakeholders, including shareholders, customers, business partners, and employees.

Prevention of Corruption and Bribery/Compliance Violations VSME B11

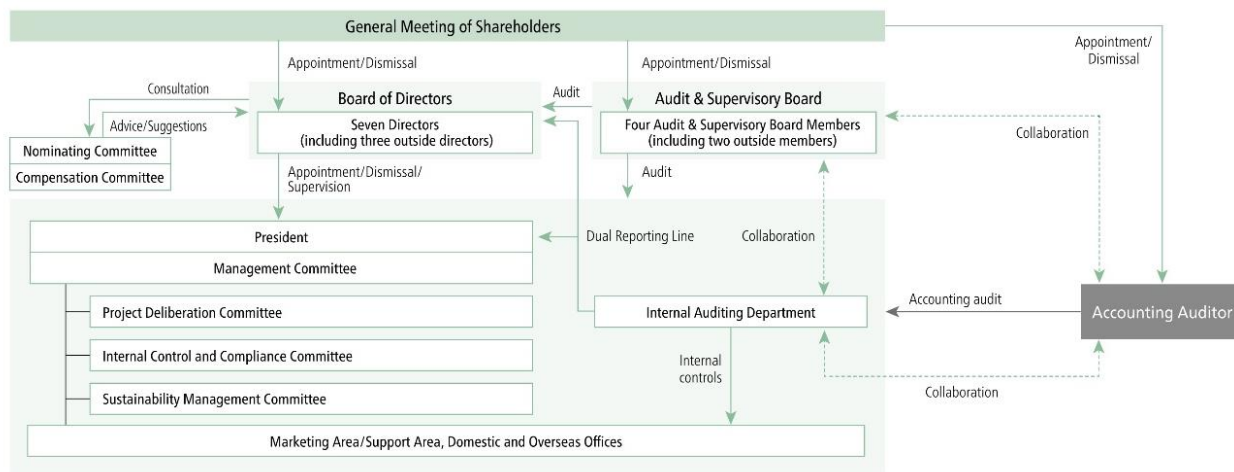
With regard to the Group's training at the Tokyo Head Office on prevention of corruption and bribery/compliance violations, Kanematsu GmbH selects the participants, and the general manager of each division participates in them as the responsible person. Kanematsu GmbH is also considering providing its own training in the future.

Actual training program selected in FY2024: Internal control and compliance training (approx. 7 hours 45 minutes in total)

In Kanematsu GmbH, there have been no violations in association with corruption and bribery, and we have never been convicted or fined.

Information Provided to the Governance Organization and Response to Sustainability Issues

Kanematsu Group's Corporate Governance Structure (as of June 27, 2025)



Kanematsu GmbH responds in accordance with the Kanematsu Group's Rules on Delegation of Authority and relevant regulations.

Internal Control

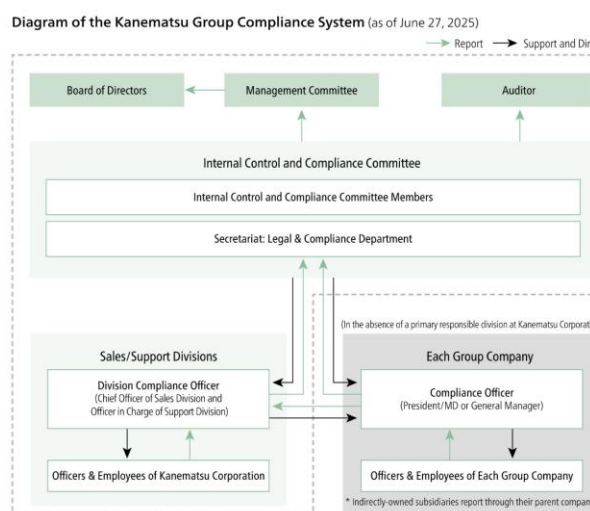
The Kanematsu Group's Internal Control System

The Kanematsu Group has adopted the "Basic Policy on the Establishment of Internal Control Systems" by resolution of the Board of Directors and is implementing and operating internal control systems in accordance with this policy.

In addition, in line with internal control reporting systems defined in the Financial Instruments and Exchange Law, the Group has established the "Kanematsu Group's Internal Control Overall Policy".

The effectiveness of internal control regarding Groupwide governance, settlement of accounts, IT, and operational processes is internally monitored by the companies and divisions that implement such operations as well as by the Legal and Compliance Department, which provides independent assessment. Furthermore, it has established the Internal Control and Compliance Committee, which is chaired by Chairman, to head the Group's overall internal control. This committee carries out planning, conducts research, and provides recommendations and guidance regarding internal control development, operation, and assessment.

Kanematsu GmbH responds in accordance with the Kanematsu Group's Rules on Delegation of Authority and relevant regulations.



Information Management System

Information Asset Categorization

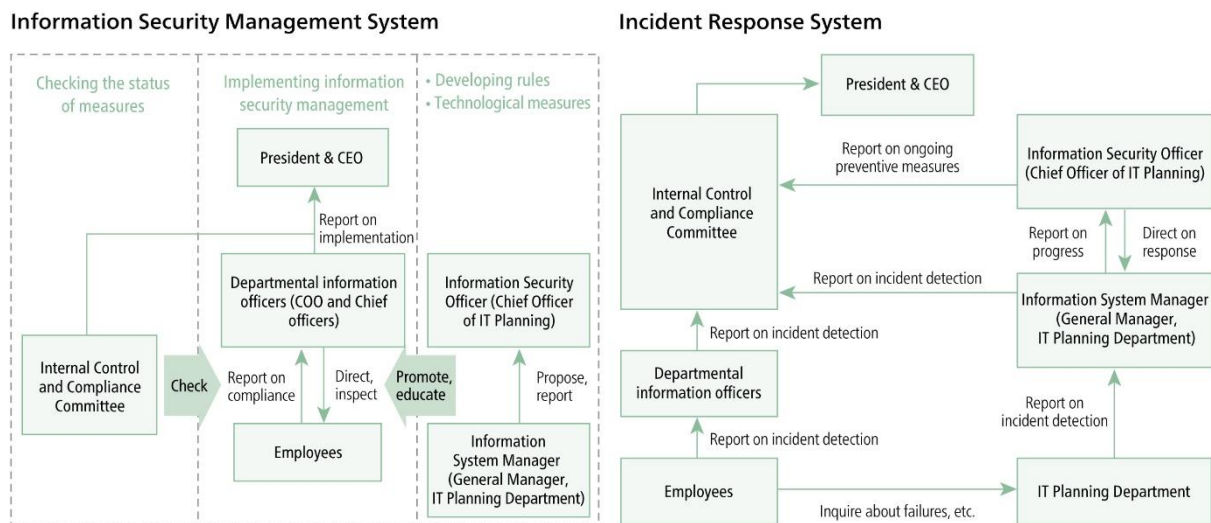
Under the leadership of departmental information officers (chief officers of business divisions and support divisions), each organization within Kanematsu organizes the information assets handled in its business operations into three categories of confidentiality (strictly confidential, internal use only, and general). The categorization is reviewed annually to promote awareness among officers and employees.

Information Asset Management

Important information assets categorized as strictly confidential or internal use only, whether recorded on paper, in digital form, or using other analog media, are managed and utilized in accordance with the Information Asset Management Rules.

Incident Response

Because the risk of information leaks cannot be completely eliminated, Kanematsu Group has designated procedures for handling leaks of important information assets and other such incidents. In the event of such an incident, the Internal Control and Compliance Committee gathers information and works with relevant departments to implement a response.



Risk Management System

The Kanematsu Group has established an internal approval request system based on the Rules on Delegation of Authority for making judgments and decisions about business risks. The Project Deliberation Committee evaluates important investments and loans, including their execution, contin-

uance, and withdrawal, based on the comprehensive examination of relevant risks, aiming to minimize the Group's losses and promote sound business growth. For making judgments and decisions about business risks, the Group has established an internal approval request system based on the Rules on Delegation of Authority, and makes responses, as set forth in the "Basic Policy on the Establishment of Internal Control Systems." In the undertaking of projects and initiatives, support divisions deliberate the existence and frequency of risks, degree of impact, risk countermeasures, and other factors in a specialized manner, and the Project Deliberation Committee further evaluates important investments and loans as well as other matters based on the comprehensive examination of relevant risks to minimize business risks.

Kanematsu GmbH responds in accordance with the Kanematsu Group's Rules on Delegation of Authority and relevant regulations.

Category	Subcategory
Market Risk	Commodity risk
	Exchange rate risk
	Interest rate risk
	Investment risk
Credit Risk	Business investment risk
	Transactional credit risk
	Country risk
Operational Risk	Legal risk
	Information security risk
	Environmental risk
	Operation risk
	Compliance risk

Initiatives as a Corporate Group

Kanematsu GmbH holds a meeting semi-annually where Kanematsu GmbH, Kanematsu Group companies in Europe, and other entities gather to share information on business management.

4-7. Business Conduct

Protection of Whistle-blowers

quoted from [Kanematsu Group's Human Rights Policy](#)

8. Remedy

If adverse human rights impacts are caused or contributed to by our business operations, or if such trends become apparent, we take appropriate steps to remedy them. As an effective remedy, we pledge to establish a reporting channel that is available to internal and external stakeholders, to ensure anonymity and confidentiality to those who report to the channel, and to protect whistleblowers from

any disadvantages that may arise as a result of making a report.

Compliance

The Internal Control and Compliance Committee (hereinafter the "Committee") has been established as an organization under the direct control of the Management Committee of Kanematsu Corporation in order to provide support and guidance to ensure compliance across the Group.

Furthermore, the committee has prepared the Kanematsu Group Compliance Handbook, which includes specific measures to prevent corruption, such as bribery, and it explains related measures with concrete examples and clearly states that the Group rejects any and all ties with antisocial forces. The Handbook has been made available through the company intranet to promote thorough awareness among all officers and employees.

The hotlines for reporting matters of suspected compliance violations involving harassment or bullying to the Committee have been established with anonymous reporting available as well. The hotlines accept reports from all officers and employees (including contract employees, temporary workers, and secondees) as well as from former officers and employees within one year of their retirement.

A system has been established for applicable companies to create their own compliance code in accordance with the Handbook and take necessary and appropriate procedures, which is evaluated and verified regularly for its effectiveness and validity by the Internal Auditing Department of Kanematsu Corporation and improved as needed.

Management of Relationships with Suppliers Including Payment Practices

The Action Policy for Building a Sustainable Supply Chain

The Kanematsu Group complies with the laws and regulations of the countries and regions in which it operates, and ensures fair trade and anti-corruption in accordance with Article 7 "Ensuring fair trade and anti-corruption" of the Action policy for building a sustainable supply chain.

Preventing Corruption

As a measure to prevent corruption, the Group has provided, in the Compliance Handbook, not only for the prohibition of bribery (unlawful provision, offer, or promise of benefits) of public officers or persons in comparable positions in Europe and any country or region, but also for the prohibition of bribery and of provision of gifts, entertainment, and other benefits in excess of reasonable, socially acceptable norms to business partners. This measure includes appropriate compliance with relevant laws and regulations of each country, including the U.S. Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act (UKBA).

Support for the United Nations Global Compact

The Kanematsu Group support "United Nations Global Compact (hereinafter UNGC) ", the world's largest sustainability initiative to bring together the UN and the private sector (companies and organizations) to build a healthier global society.

We promote initiatives to respect human rights in accordance with the four areas, "human rights", "labor", "environment" and "anti-corruption", and the Ten Principles of the UNGC.

Participation in Initiatives

Regarding the management of relationships with suppliers, we are implementing the following initiatives:

- Steel, Materials & Plant Division : CBAM (EU's Carbon Border Adjustment Mechanism)
- Motor Vehicles and Aerospace Div. (Munich) : TISAX (Trusted Information Security Assessment Exchange) Certification

Prevention (including training), Detection, and/or Incident of Corruption and Bribery [VSME B11](#)

We provide training for the Assistant Manager level to whom authority can be delegated by Manager, aiming to prohibit any corruption and bribery. Those who are recommended by divisions participate in the training in each fiscal year, and one person in FY2023 and three persons in FY2024 took the training of 11 hours in total. Moreover, we have never been convicted or fined for corruption and bribery.

5. ESG Highlights

5-1. Climate Change

VSME B3

The environmental data marked with a star (★) for Fiscal Year ended in March 2025(FY2025) are assured by KPMG AZSA Sustainability Co., Ltd.

CO₂ emissions of the Kanematsu Group (Scope1, Scope2) (unit : t-CO₂)

	Scope1 (FY2025)	Scope2 (FY2025)	Scope1, 2total
Kanematsu Group	8,398 ★	18,530 ★	26,928 ★

CO₂ emissions of Kanematsu GmbH (Scope1, Scope2) (Location based/unit : t-CO₂)

Location name	Scope1 (FY2025)	Scope2 (FY2025)
①Dusseldorf	0	5.1
②Munich	0	1.1
③Milano	0	0.6
④Budapest	0	0.1
TOTAL	0	6.9

CO₂ emissions of the Kanematsu Group (Scope3) (Unit : t-CO₂)

Category	FY2025
Category 1 (Purchased goods and service ^{*1})	4,008,365
Category 2 (Capital goods ^{*2})	85,525 ★
Category 3 (Fuel- and energy-related activities (not included in scope 1 or scope 2 ^{*3}))	5,069
Category 6 (Business Travel ^{*4})	3,695
Category 7 (Employee commuting ^{*5})	2,350
Category 15 (Investments ^{*6})	4,769

1. Calculated by multiplying the amount of the goods and services purchased by Foods, Meat & Grain segment of Kanematsu Corporation.
2. Calculated by multiplying the Kanematsu Group's fixed assets purchased by the emission factor per capital goods price.
3. Calculated by multiplying the Kanematsu Group's fuel, heat and electricity consumption by each emission factor. The emissions associated with the generation of wholesale electricity are also included in this category.
4. Calculated by multiplying the payment amount for passenger airplanes (domestic/international), passenger trains, and automobiles (buses, taxis) by each emission factor for Kanematsu

Corporation. While for group companies, calculated by multiplying the number of employees by the emission factor.

5. Calculated by multiplying the total commuting costs for the entire Kanematsu Group by the emission factor of passenger railways. The total commuting costs are estimated using Kanematsu Corporation's commuting expenses and the number of employees.
6. Calculated by multiplying Kanematsu Group's stock investment amount by the emission factor of the investment division.

Electricity Consumption (Unit: MWh)

	FY2025
Kanematsu GmbH	21
Kanematsu Group	43,818

※ Amount of electricity consumption among Kanematsu Group which was generated from renewable energy was 5,896 MWh in FY2025.

Energy Consumption (Unit: GJ)

	FY2025
Kanematsu GmbH	181
Kanematsu Group	478,495

5-2. Pollution of Air and Water *material issue in the value chain*

Emissions of Pollutants to Air and Water arising from Business Activities **VSME B4**

The pollution risk associated with emissions into the air and water arising from Kanematsu GmbH's office use is extremely low, and its significance is considered minimal. Accordingly, we do not disclose this information.

5-3. Water *material issue in the value chain*

Water Consumption (Consumption, Withdrawal and Discharge) **VSME B6**

The significance of water consumption in Kanematsu GmbH's business activities is low. As water consumption costs are included within office rental management fees, obtaining specific information is not possible. Additionally, we do not conduct manufacturing or processing activities in an area of high-water stress.

5-4. Social Metrics

Gender Diversity in the Management **VSME C5, C9**

Kanematsu GmbH determines compensation packages with fairness, comprehensively taking into

account of duties, responsibility, experience, abilities, and other factors. The current percentage of women in the position of manager or above is 12.5%.

Adequate Wages **VSME B10**

As set forth in the Kanematsu Group's Human Rights Policy and the Kanematsu Group's Human Rights Policy Appendix, Kanematsu GmbH manages the adequate working hours for its employees, avoids excessive work, and secures minimum wage or higher.

Wages are determined with fairness in accordance with local laws and regulations and industry standards, comprehensively taking into account of duties, responsibility, experience, abilities, and other factors. We have put in place a system where employees can consult individually if they have any questions or concerns.

Social Security

We implement initiatives in each country in which it conducts business operations in compliance with local laws and regulations.

Training and Skill Development (Performance Evaluation and Training Hours) **VSME B10**

Kanematsu GmbH has participated in training programs led by Kanematsu Corporation to support employees' skill development and career formation and received opportunities to share knowledge and improve skills across national borders. Training topics included trade practices (accounting, risk management, finance, internal audit, logistics & insurance, compliance, and corporate planning), and the training hours took approximately 11 hours. One woman in FY2023 and three men in FY2024 were eligible for and attended the training programs.

Health and Safety **VSME B9**

	FY2025
The number of recordable work-related accidents	0
The rate of recordable work-related accidents	0 %
the number of fatalities as a result of work-related injuries and work-related ill health	0

Work-life balance

Kanematsu GmbH conducts business activities on the premise of compliance with laws and regulations, and the rate of use of parental leave is 100%.

Severe Negative Human Rights Incidents **VSME C6, C7**

In the Kanematsu Group's Human Rights Policy and the Kanematsu Group's Human Rights Policy Appendix, the Group has set forth a framework for human rights protection, including prohibiting child labor, forced labor, human trafficking, and discrimination, as well as striving to establish a safe and healthy work environment.

No child labor, forced labor, human trafficking, discrimination, or any other material human rights violation have occurred in Kanematsu GmbH. Furthermore, no incidents related to workers in the value chain, affected communities, consumers, or end users have been identified.

No harassment, discrimination, or other complaints against the company were reported during the reporting period, and no related sanctions, fines, or damages were incurred.

Privacy

Kanematsu GmbH is implementing the same initiatives as Kanematsu Corporation.

Compliance Handbook

The Internal Control and Compliance Committee (hereinafter the "Committee") has prepared the Kanematsu Group Compliance Handbook, which includes specific measures to prevent corruption, such as bribery, and it explains related measures with concrete examples and clearly states that the Group rejects any and all ties with antisocial forces. The Handbook has been made in Japanese, English and Chinese and is available through the company intranet to promote thorough awareness among all officers and employees.

Information Management System

With regard to information management, the Group has established standards for the custody, retention, and disposal of accounting records, balance sheets, agreements and contracts concerning the basic rights and obligations of Kanematsu, certificates related to properties, and other similar documents. As information is a valuable corporate asset, it has also formulated, and work to reinforce, rules on information security management with the aim of protecting and managing personal data and other information in line with compliance requirements.

With regard to the security of information systems, the Group has established information security management rules aimed at preventing leaks and losses of important information and established standardized rules covering the use of PCs, networks, and e-mails to protect corporate and personal information. Furthermore, the Group continually reviews its systems framework aimed at enhancing security and operates and maintains said framework to ensure that security is maintained at necessary and appropriate levels.

Kanematsu GmbH is committed to protection of personal data as well as compliance with privacy and

data protection laws and regulations, including the European General Data Protection Regulation. This policy sets out how Kanematsu collects and processes your personal data. This policy only applies to your personal data collected by Kanematsu. For further information, please refer to the [link](#).

Social Dialogue **VSME B10**

Kanematsu GmbH conducts business activities on the premise of compliance with laws and regulations, and respects the basic human rights of employees based on the Kanematsu Group's Human Rights Policy in accordance with international human rights standards. As Kanematsu GmbH has a relatively small number of employees, and daily communication is conducted smoothly, providing opportunities for dialogue. We will continue to consider developing a more employee-friendly environment in line with employees' needs and growth of the organization

5-5. Status of Director

Director: 1