01

Driving Force for Sustainable Value Creation

This section describes the background of and explains in detail the strengths and non-financial capital that we have built and outlines our basic approach to sustainability. To provide examples of how we utilize our strengths and non-financial capital, we explain the value chain centered on FamilyMart and our financial and capital strategies, including the business investment process that is one of our main business development tools.

Component of the corporate value calculation formula focused on in this section

$$\boxed{\text{Corporate Value}} = \frac{\boxed{\text{Created Value}}}{\boxed{\text{Cost of Capital}} - \boxed{\text{Growth Rate}}}$$

CONTENTS

Accumulated Strengths

Since its founding in 1858, ITOCHU has fostered a unique corporate culture while flexibly changing its business structure, primarily by dynamically allocating management resources to growth areas that shift with the times, and leveraging business investments to move into downstream fields in the value chain. Our business model, which currently boasts high sustainability, has enabled us to consistently overcome the obstacles we have faced, such as the economic crisis in the late 1990s. The driving force behind this model lies in four corporate strengths we have accumulated over our history of more than 160 years.

Accumulated Strength—

Comprehensive Strength and Ability of Self-Transformation

Compound Annual Growth Rate of Consolidated Net Profit

11.8% (FYE 2011–2022)

We realize sustainable growth by leveraging our comprehensive strength as a general trading company and flexibly transforming ourselves in response to the outside environment.

01 Driving Force for Sustainable Value Creation

Founded–

Focus Mainly on the Textile Sector

Chubei Itoh I commenced linen trading operations via Osaka in Senshu (now the southwestern part of Osaka Prefecture) and Kishu (now Wakayama Prefecture). From a base in Osaka, we expanded business, mainly in the textile sector.

1950s–

Diversification, Including Automobiles, Petroleum, and Food

We pursued a path of diversification, and as a result non-textile areas accounted for around 40% of trading volume in 1958. In the 1960s, we expanded our business to include energy, machinery, general merchandise projects, and the iron and steel business, becoming a "¥1 trillion trading company." In 1977, we further expanded the iron and steel business through a merger with Ataka & Co., Ltd.

1980s–

Expansion in the ICT Sector

As yen appreciation became a fixture of the economy, we promoted internationalization and globalization. We moved aggressively into the ICT field and entered the satellite business.

1990s–

Set the Steppingstones for the Current Business

We took decisive action to dispose of low-efficiency and unprofitable assets to sweep away negative legacy assets from the bubble era. At the same time, we set in place the steppingstones for the future, such as acquiring shares in FamilyMart in 1998.

2010s–

Enhancing Comprehensive Strength by Harnessing Our Ability of Self-Transformation

Ahead of other general trading companies, we began focusing on the non-resource sector. We commenced a strategic business alliance and capital participation with CITIC and CP Group, strengthened North American construction materials-related businesses, acquired Dole business, invested more in major Group companies, and privatized FamilyMart. We have further built up comprehensive strength and promoted self-transformation from a market-oriented perspective in part by entwining our business investments to create multifaceted businesses that connect for synergy, establishing The 8th Company, and developing the value chain of energy storage systems.

Chubei Itoh I

Strengthening Our Foundation to Harness Individual Capabilities

Since its founding, ITOCHU did not maintain free-standing stores, but instead cultivated a spirit of creating businesses on its own. Based on this DNA and our core focus on the non-resource sector, which consists of small businesses and has a large number of clients, we have cultivated "individual capabilities." The ability of individuals, who are also referred to as "brave warriors," to create business through their own discretion on the front lines is characteristic of the Company and the driving force behind its sustainable value creation.

Under "Brand-new Deal 2012" (FYE 2012–2013), we established our business fundamentals as the strengthening of front-line capabilities and the "earn, cut, prevent" principles, then implemented various internal reforms to draw forth our latent individual capabilities. We subsequently enhanced initiatives for work-style reforms, including the introduction of a Morning-Focused Working System. As a result, we achieved high labor productivity with a small but elite system. ITOCHU boasts the lowest number of employees (non-consolidated basis) of the general trading companies, but we generate the highest consolidated net profit per employee.

Accumulated Strength—
Individual Capabilities

Consolidated Net Profit per Employee (Non-Consolidated)

¥0.10 billion (FYE 2021)

From the Company's founding, merchants developed business by balancing their wares on shoulder poles as they traveled on foot to distant locales. This DNA has been steadily passed down through the eras until the present as "individual capabilities."

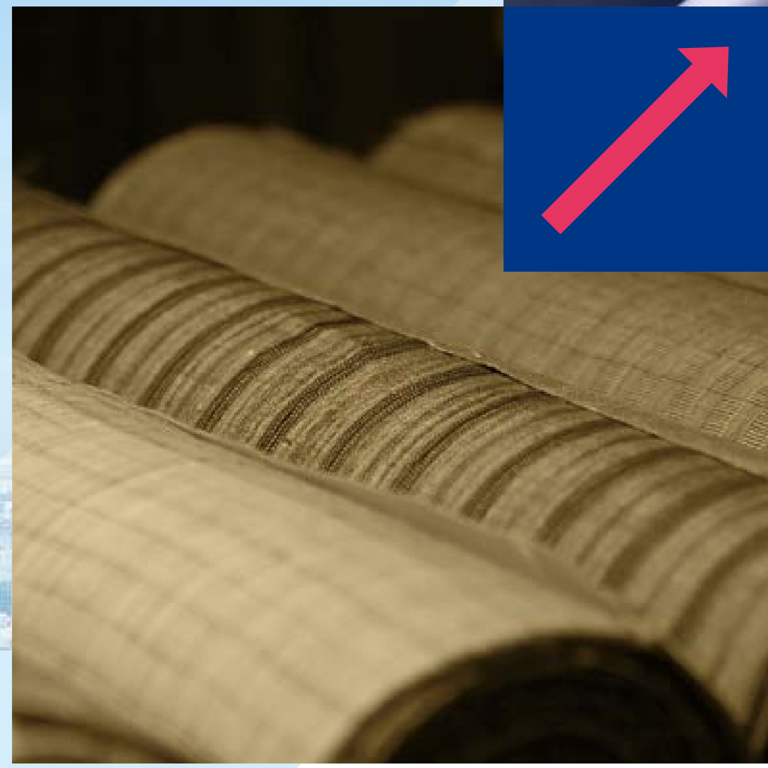
(Photo courtesy of Archival Museum for the Faculty of Economics at Shiga University)

Accumulated Strength—
Earning Power in the Non-Resource Sector

Core Profit in the Non-Resource Sector

¥330.7 billion (FYE 2021)

Although business has significantly changed, expanding from linen trading to the development of a value chain in sustainable materials, the Company's main focus remains in the non-resource sector.



Further Enhancing Earning Power in the Non-Resource Sector

ITOCHU's business originated with textiles. In contrast with the general trading companies associated with the former *zaibatsu* industrial groups, the Company has weaker connections to the national government and companies in heavy industry. We therefore inevitably built up strengths in the non-resource sector, centered on clothing, food, and housing, where we have a wealth of expertise.

"Brand-new Deal 2014" (FYE 2014–2015) was subtitled, "Aiming to be the No. 1 Trading Company in the Non-resource Sector." Under it, ITOCHU did in fact become the No. 1 general trading company in the non-resource sector. We attribute this success to our efforts to enhance the returns from major investments completed, improve the profitability of existing businesses, and revise investment criteria directing nearly 80% of new investment to the non-resource sector. Following that, we continued to accumulate strengths in the non-resource sector and built an earnings base that is diversified across many fields and more resilient to economic volatility, thereby enabling the stable generation of cash flows.

Laying a Strategic Foundation for the Future in Markets in China and Other Parts of Asia

ITOCHU was the first major general trading company to be accepted to restart trading between Japan and China. This early success to build a bridgehead in China is connected to our current strength of "experience and track record in China and other parts of Asia."

Under "Brand-new Deal 2017" (FYE 2016–2018), we sought to enhance sustainable corporate value from a longer-term perspective. We worked with the CP Group to make a joint investment in CITIC, the largest investment in ITOCHU's history (approx. ¥600.0 billion), and placed a major strategic steppingstone in the world's largest consumer markets of China and other parts of Asia. CITIC is the largest Chinese state-owned conglomerate, and CP Group is the largest conglomerate in Thailand which has built up various businesses across all of China. Working with these two reputable partners (CITIC and CP Group), we strive to develop businesses which lead to improve the earning power in our strong non-resource sector.

Accumulated Strength—
Experience and Track Record in China and Other Parts of Asia

Expanding Business into China

1972

In 1972, then-President Masakazu Echigo headed a mission to China and attempted to make an early start at cultivating the Chinese market. This led to our current valued partnerships.

Once Again, Unleashing Our Strengths

2021

FYE 2021

Increasing Comprehensive Strength Through Self-transformation

➡ Achieving the **Triple Crown*** of General Trading Companies

* Market capitalization, share price, and consolidated net profit

FYE 2016

Steppingstones Toward China and Other Parts of Asia

➡ **No. 1** General Trading Company in Consolidated Net Profit

FYE 2015

Strengthening Earning Power in the Non-Resource Sector

➡ **No. 1** in the Non-Resource Sector

FYE 2012

Harnessing Individual Capabilities

➡ **No. 1** in the Consumer Sector

1858

Working Toward a New Growth Stage

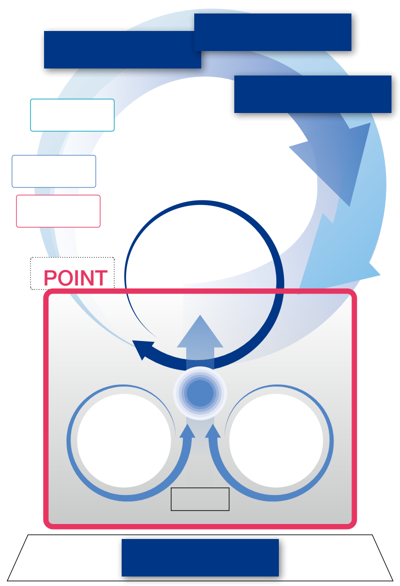
Adding new strengths to proven strengths, ITOCHU steadily advanced its position, and in FYE 2021 clinched the "triple crown" for general trading companies, achieving the highest market capitalization, share price, and consolidated net profit. However, the COVID-19 pandemic, which is still raging across the world, has brought about major changes in the world. The SDGs are now influencing business models at a faster speed than predicted, and uncertainty in the economic environment is increasing. Driven by its four accumulated strengths, the Company is flexibly responding to this business environment. We are also promoting the basic policies of "Realizing business transformation by shifting to a market-oriented perspective" and "Enhancing our contribution to and engagement with the SDGs through business activities" as laid out in the new medium-term management plan "Brand-new Deal 2023." Through these efforts, we aim to achieve consolidated net profit of ¥600.0 billion during the plan's period and further leap toward a new growth stage.

Accumulation of Non-Financial Capital

Sustainable Value Creation through Strengthening of Trust and Creditworthiness

ITOCHU conducts its business through both trade and business investment. In the course of its history over 160 years, we have steadily accumulated internal capital through our business such as human and organizational capital and business know-how.

We believe that trust and creditworthiness are extremely important for achieving enhancement of interaction between internal and external capital. By always remaining cautious of trust and creditworthiness in our management practice, we aim to continuously expand our corporate value through realizing increases in both economic value and environmental / social value.



		Explanation of Each Capital (Importance)	Influential PEST Factors	Examples of KPI and Monitoring Indicators	Examples of Strengthening Measures
Internal Capital	Human and Organizational Capital	We increase individual capabilities through our human resource strategies and enhance labor productivity. In addition, our business divisions have powerful backing from our administrative divisions, which have rapid decision-making systems and high-level expertise, therefore practicing the "earn, cut, prevent" principles.	• Greater disparity in economic growth among emerging countries • Cultivating a workplace environment • Increasing awareness on health and quality of life • Strengthening a rigorous governance structure • Changes in business models caused by technological innovation	• Labor productivity of employees • Engagement Survey • Average training cost per employee • Number of employees with Chinese-language qualifications • Monthly average overtime hours • Annual paid leave acquisition rate • Company ranking among job-seekers	• Realization of ITOCHU Mission and Guideline of Conduct • Promotion of Morning-Focused Working System and working from home system • Health management (Support Measures for Balancing Cancer Care and Work, etc.) • Business support and checking function of administrative divisions • Changing work system flexibly during the COVID-19 pandemic ➡ Page 80 Human Resource Strategy
	Business Know-How	With eight Division Companies operating businesses in diverse industries, ITOCHU has accumulated extensive and advanced business know-how. This is a vital intangible asset for creating new businesses and expanding into new regions.	• Economic policy trends • Changes in the tax code and regulations • Economic stagnation in developed countries • Dollar appreciation • Change in investment environment • Accelerating response to climate change (decarbonization) • Cultivating a workplace environment • Increasing awareness on health and quality of life • Changes in business models caused by technological innovation	• Number of new businesses formed • Number of years of business with existing customers • Number of contact points with consumers and volume of data	• Creating synergies and new businesses by utilizing ITOCHU's comprehensive strength • Using The 8th Company to break down product silos and strengthen collaboration among Division Companies • Transforming business models based on a market-oriented perspective • Acquiring new knowledge through venture investments
	Business Portfolio	ITOCHU's business portfolio is flexible, wide-ranging, and well-balanced. Leveraged in combination with our comprehensive strength and ability of self-transformation, this business portfolio enables us to adapt quickly to a volatile business environment and diversifying consumer demand.	• Political trends • Economic policy trends • Economic stagnation in developed countries • Dollar appreciation • Change in investment environment • Accelerating response to climate change (decarbonization) • Increasing awareness on health and quality of life • Strengthening a rigorous governance structure • Changes in business models caused by technological innovation	• Ratio of Group companies reporting profits • Management efficiency indicators	• Pursuit of highly efficient management (rigorously selected investments and continuous asset replacement) • Improving profitability of existing businesses (thoroughly instilling the "earn, cut, prevent" principles) • Implementation of ITOCHU's Policy on the Governance of Its Listed Subsidiaries ➡ Page 91 Policy on the Governance of Listed Subsidiaries
External Capital	Client and Partner Assets	We maintain win–win relationships with our clients and partners, which include a large number of leading companies. This is vital to our ability to rapidly expand into new domains and constantly capture and expand trade. It is our abundant client and partner assets that enable us to realize sustainable earnings growth.	• Political trends • Economic stagnation in developed countries • Greater disparity in economic growth among emerging countries • Unstable asset (stocks, real estate) and resource prices • Accelerating response to climate change (decarbonization) • Respecting human rights • Increasing awareness on health and quality of life • Ensuring stable procurement and supply • Changes in business models caused by technological innovation	• Profits from initiatives with good partners • Number of clients and partners • Expenses reduced and decrease in losses on bad debts	• Selection and securing of good partners • Use of cutting-edge technologies and services and business model transformation • Complying with Environment, Health, and Safety (EHS) Guidelines • Building of safe, reliable supply chains
	Natural Resources	Through our business in the non-resource and resource sectors, we meet social demand for stable procurement and supply of natural resources, while capturing new business opportunities in responding to social issues outlined in the SDGs.	• Changes in the tax code and regulations • Unstable asset (stocks, real estate) and resource prices • Accelerating response to climate change (decarbonization) • Respecting human rights • Ensuring stable procurement and supply	• Renewable energy ratio • GHG emissions • Electricity consumption • Water usage • Waste volume	• Withdrawing completely from thermal coal interests • Continuing to review projects based on engagement • Strengthening of value chains and business investment management based on a sustainability point of view • Stepping up contribution to and engagement with the SDGs through eco-friendly businesses, etc. ➡ Page 64 Business Expansion in Accordance with a Decarbonized Society ➡ Page 76 Initiatives to Promote Sustainability
	Relationships with Society	We practice continuous and constructive communication with our stakeholders, ascertaining their expectations and demands of the Company and resolving them. Through this effort, we promote stable business activities in Japan and overseas and realize further increases in corporate value.	• Changes in the tax code and regulations • Accelerating response to climate change (decarbonization) • Respecting human rights • Increasing awareness on health and quality of life • Strengthening a rigorous governance structure	• Number of engagements with stakeholders • Number of companies participating in sustainability surveys • Number and percentage of employees participating in sustainability and compliance-related internal trainings • External evaluation by ESG rating agencies, etc., and additions to indices • Shareholder returns (dividends and share buybacks) and EPS • Number of compliance violation incidents	
		Explanation of Each Capital (Importance)	Influential PEST Factors	Examples of KPI and Monitoring Indicators	Examples of Strengthening Measures

Financial Capital

Trust and Creditworthiness

Reinvesting capital

Leveraging strengths to maximize capital utilization

Accumulation of corporate value

➡ Page 72 PEST Analysis (Macroenvironmental Factors Through 2030)

➡ Page 116 Data Section

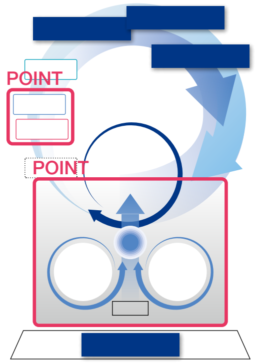
Our Business Model, as Seen Through Business Development

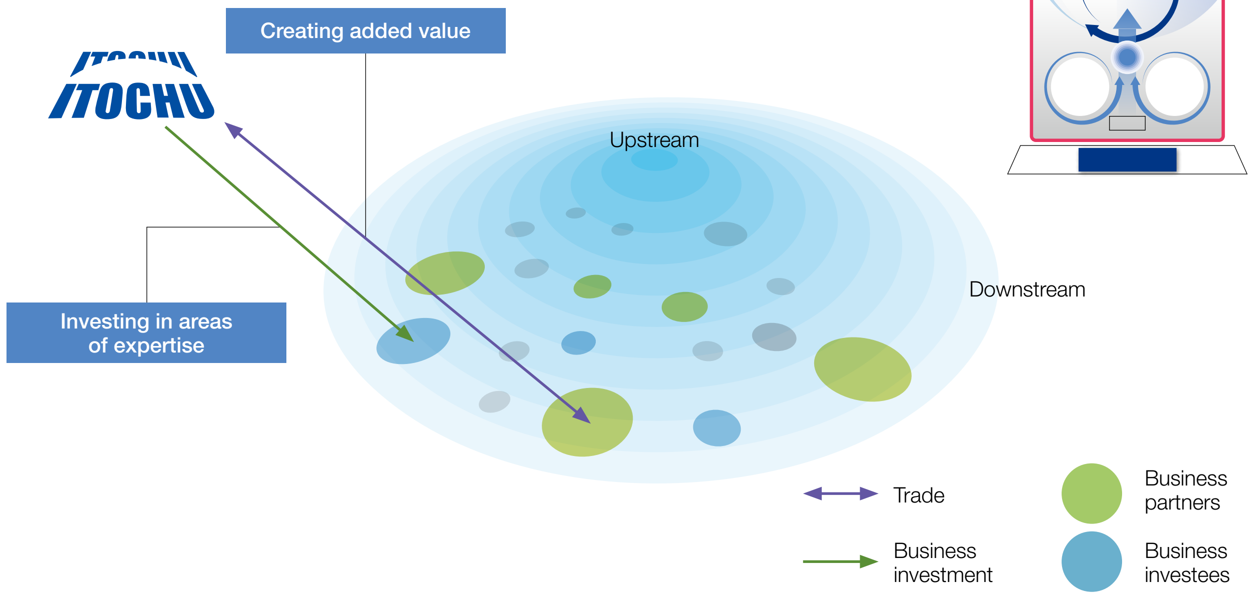
By utilizing financial and non-financial capital, focusing on fields where we can demonstrate strengths, and creating multifaceted, linked businesses, we strive to enhance earning power of trade and business investment.

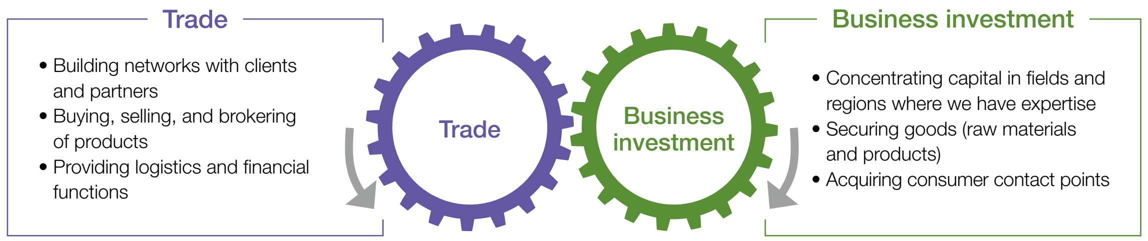
Going forward, we will sustain value creation by maximizing synergies and upgrading our businesses through business transformation that begins in downstream areas and is driven by market-oriented perspectives, while thoroughly instilling the "earn, cut, prevent" principles.

STEP 1: Forming Domains Through Trade and Business Investment

We utilize our accumulated financial and non-financial capital to develop businesses through trade and business investment. By leveraging our business know-how and client and partner assets, we expand trade by creating added value and invest in fields where we have knowledge and can control risk.







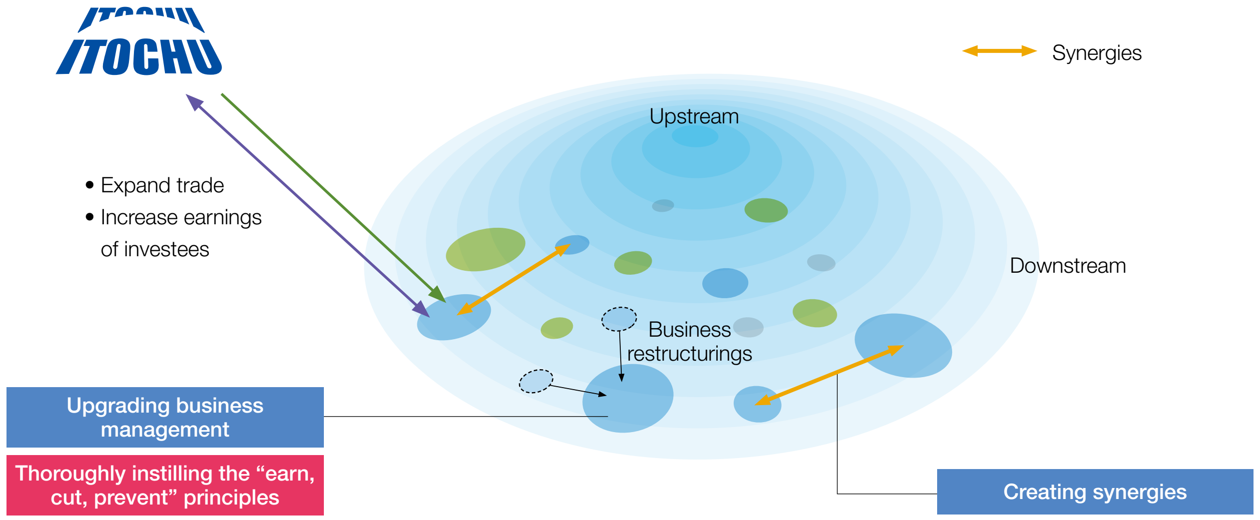
How ITOCHU Differs from a General Private Equity Fund

As we consider business investment to be a powerful tool, our business model is often compared to that of a private equity fund. There are certain similar aspects, such as the desire to contribute proactively to investees' management and maximize the corporate value of investees. However, the differences are that we focus on generating synergies with existing businesses and enjoy returns centered on trading profits and dividends.

	Investee liquidity	Investee ownership ratio	Investee ownership period	Synergies	Returns
General private equity fund	In principle, unlisted	In principle, majority stake to 100%	Buy and hold having an exit strategy	In principle, none	Capital gains and dividends
ITOCHU	Either listed or unlisted	Decided individually, based on business conditions and market environment	Buy and hold	Create synergies with existing businesses	In principle, trading profit and dividends

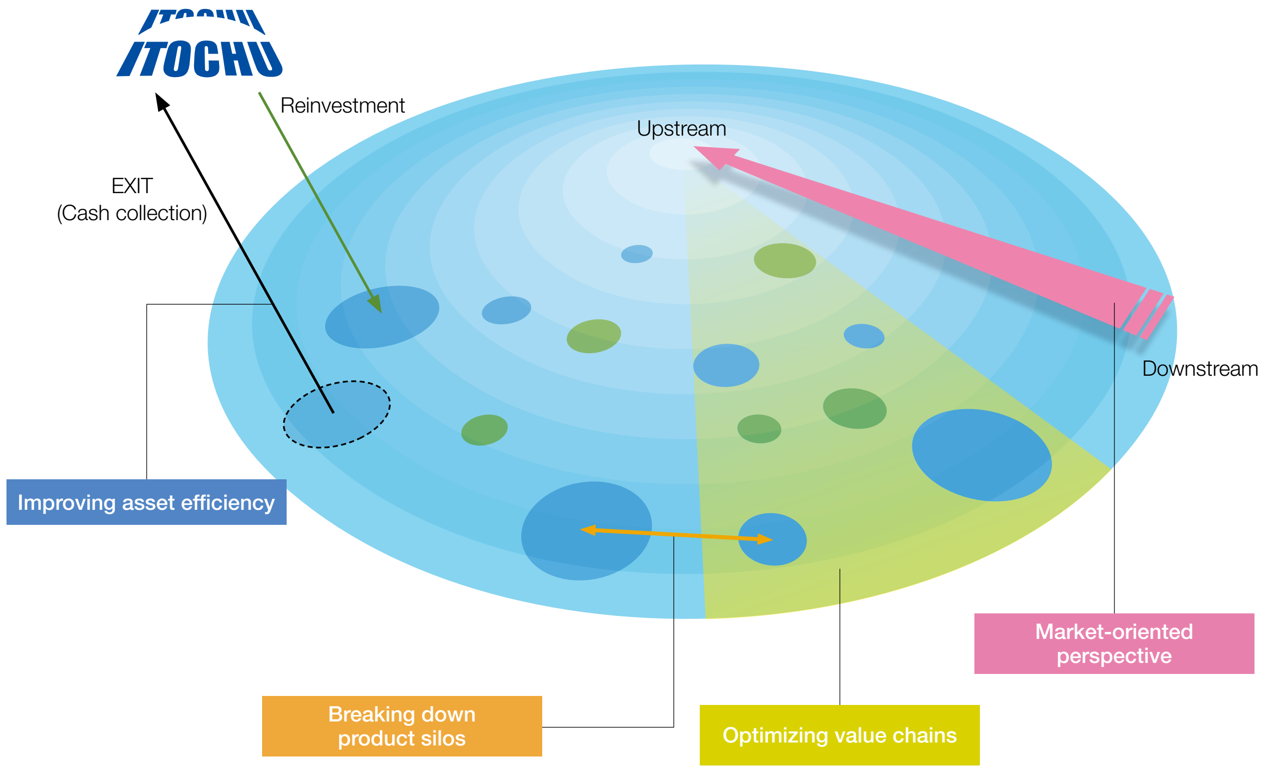
STEP 2: Expanding Multifaceted, Linked Businesses to Increase Earnings from Trade and Business Investment

Our goal is to increase our earning power of trade and business investment. To this end, we upgrade business management by instilling our fundamental "earn, cut, prevent" principles and restructuring businesses, while creating multifaceted, linked businesses through new trades and synergies.



STEP 3: Sustaining Value Creation by Upgrading Multifaceted, Linked Businesses

We will upgrade businesses to respond to consumers' and social needs by shifting to a downstream-centered market-oriented perspective and by increasing collaboration among Division Companies to break down product silos. Also, we will further improve asset efficiency through asset replacement, optimization of value chains by utilizing data and new technologies, and pursuit of business management efficiency.



Business Development Example: Our FamilyMart-Centered Convenience Store Business

In its convenience store business, ITOCHU and its Group companies are collaborating to build and improve the value chain, stretching from downstream through to upstream operations. To grow the value of the Group's convenience store business, which is centered on FamilyMart, we are creating synergies that transcend Division Companies' boundaries. Specifically, while The 8th Company is acting as a hub, we not only strengthen the food value chain but also focus on such diverse areas as daily necessities, financial services, systems development, and construction materials.

Operational Support*

We support the operational efficiency of approximately 16,600 stores in Japan in many different ways—from systems development through to the leasing of store fixtures.

CTC — System development

ITOCHU Plantech Inc. — Electricity supply

ITOCHU KENZAI CORPORATION — Construction materials

ITOCHU Metals Corporation — 3Rs+W service*

Bell System24 — Contact centers

Tokyo Century Corporation — Leasing of store fixtures

* Reduce, reuse, recycle, and waste management

Areas of Focus

- Rigorously enhancing product appeal, convenience, and familiarity
- Optimizing and upgrading supply chains
- Advertising and finance businesses and making stores into media
- FamilyMart Environmental Vision 2050 (Medium- to long-term environmental goals)

Page 60 Evolution of FamilyMart Business

Creating Added Value in Collaboration with The 8th Company

Page 114 The 8th Company

Service*

We provide customers with a broad range of services matching daily needs in fields such as finance and insurance.

POCKETCARD CO.,LTD. — Famima T Cards

CONEXIO — POSA cards

ITOCHU — Motorbike liability insurance, one-day automobile insurance, FamiPort coupons

Famima T Card, issued by POCKET CARD CO., LTD.

Intermediate Distribution*

We handle logistics to individual stores.

NIPPON ACCESS, INC. — Wholesale / Logistics

ITOCHU LOGISTICS CORP. — Comprehensive logistics services

NCS (NIPPON CAR SOLUTIONS Co.,Ltd.) — Delivery vans

ITOCHU ENEX CO.,LTD. — Fuel for delivery vans (renewable diesel)

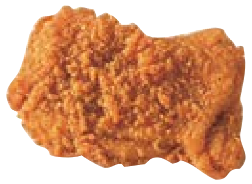
Food Product and Peripheral Business*

Sales agents | Manufacturing / Processing | Product planning | Raw materials

We coordinate the optimal food value chain from the formulation of raw material procurement schemes to the arrival of items on store shelves, including product planning, manufacturing, processing, and procurement of containers and packaging materials.

Product planning, manufacturing / processing, sales agents

ITOCHU — Ready-to-eat products, fried chicken, bananas, counter coffee, etc.



Raw materials

JFS (Japan Food Supply Co., Ltd.) / ITOCHU Food Sales and Marketing Co., Ltd. — Ready-to-eat products (rice balls, boxed lunches)

UNEX — FAMIMA CAFÉ (counter coffee)

ITOCHU FEED MILLS CO., LTD. — Eggs

C.P. GROUP — Spicy Chicken (fried chicken)

Dole — Bananas

ITOCHU — FAMICHIKI (fried chicken)

FUJI OIL — Soy meat and general raw materials for confectioneries, etc.

Containers and Packaging

CIPS (ITOCHU PLASTICS INC.) — Rice ball wrapping films and recycled PET boxed lunch containers, etc.

ITOCHU Retail Link Corporation — To-go item containers (coffee cups, etc.)

Non-Food Product*

We provide daily necessities and supplies needed for everyday store operation.

Daily necessities

sanipak (Clean earth, Clean hearts) / ITOCHU Retail Link Corporation — FamilyMart collection daily necessities (detergent, plastic bags, cleaning sheets, etc.) and umbrellas

ITOCHU — Convenience Wear (basic apparel and lifestyle sundries, etc.)

Supplies (Store items supporting operation, etc.)

ITOCHU Retail Link Corporation — Chopsticks, individual-use hand towels, cash register rolls, plastic bags, and cleaning supplies

ITOCHU — Uniforms

* All of the products and services listed above are provided by ITOCHU Group (ITOCHU, subsidiaries, and affiliates) and ITOCHU's business partners.

CFO INTERVIEW

While keeping an eye on the unclear business environment, this year we will lay out thorough preparations with an awareness of the new growth stage.

Tsuyoshi Hachimura
Member of the Board,
Executive Vice President, CFO

Q What is your overall assessment of the FYE 2021 financial and capital strategies?

A We were able to steadfastly keep our financial and capital positions even amid an unprecedented business environment.

The business environment in FYE 2021 was exceptionally tough due to the COVID-19 pandemic, but I believe that overall we prevailed. By steadfastly keeping our financial and capital positions, we were able to achieve results that led to the "triple crown" for a general trading company.

Since becoming CFO in FYE 2016, I have committed to the "Policy to achieve high ROE while balancing three factors (growth investments, shareholder returns, and control of interest-bearing debt)" and continued implementing unified balance sheet control. In FYE 2021 too, we conducted major investments (around ¥520.0 billion) in tandem with the privatization of FamilyMart, which will contribute to the Group's further growth, while also maintaining a "financial position appropriate for A ratings" even amid an unprecedented business environment.

It can be seen through the fact that, for example, the shareholder equity ratio, which demonstrates the soundness of our finances, rose 2.2 points at the end of FYE 2021 (29.7%) year on year. Also, net debt-to-shareholders' equity ratio (NET DER) (0.78 times) came close to our record level achieved March 31, 2020 while conducting a large-scale investment.

In addition, core profit totaled approximately ¥452.5 billion, including the negative impact of approximately ¥56.0 billion from the pandemic. This was far above our initial plan of ¥400.0 billion. If the pandemic effects had been insignificant, core profit would have exceeded ¥500.0 billion. I believe we were able to maintain stable earning power at roughly the same level as before the pandemic.

Furthermore, core operating cash flows amounted to approximately ¥574.0 billion, the second highest on record, trailing only the previous fiscal year. This was a testament to the strong resilience of our cash-generating power to economic volatility.

The following chart zooms out to a wider timeframe, comparing present achievements with the past three-year KPIs from "Brand-new Deal 2017" to see how much they have improved.

Both earning power, which is represented by consolidated net profit and core profit, and cash-generating power, which is represented by core operating cash flows, improved tremendously. I want everyone to understand that this was achieved by harnessing the strengths of our earnings base, centered on the non-resource

(Billions of yen)	*Brand-new Deal 2017* (FYE 2016–2018)	*Brand-new Deal 2020* & FYE 2021 Management Plan (FYE 2019–2021)	Increase / Decrease
Consolidated net profit (3-year cumulative)	Approx. 993.0	Approx. 1,403.0	Approx. +410.0
Core profit (3-year cumulative)	Approx. 1,102.0	Approx. 1,410.0	Approx. +308.0
Core operating cash flows (3-year cumulative)	Approx. 1,255.0	Approx. 1,690.0	Approx. +435.0
Core free cash flows (3-year cumulative)	Approx. 285.0*1	Approx. 626.0	Approx. +341.0
Total shareholder returns (3-year cumulative)*2	Approx. 318.0	Approx. 529.0	Approx. +211.0
Total shareholder return ratio (3-year cumulative)	32%	38%	Increased 6 pt
EPS (3-year average)	¥211.3	¥309.8	+¥98.5
ROE (3-year average)	13.8%	15.9%	Increased 2.1 pt

*1 Including investment in CITIC (approximately ¥600.0 billion)
*2 Total of interim and year-end dividends and share buybacks

sector. In addition, regarding total shareholder returns, we were able to keep core free cash flows after deducting shareholder returns in the black and, by tapping into our stable cash-generating power, we were able to achieve shareholder returns and a total shareholder return ratio exceeding those under "Brand-new Deal 2017."

On the other hand, for investments, we have avoided buying high, which leads to the accumulation of goodwill, and strived to focus primarily on the sectors and regions where we have expertise. We also conducted large-scale investments by accumulating surplus funds each fiscal year. By implementing these controls and reducing unnecessary interest-bearing debt, our financial soundness has been lifted even higher.

We steadily enhanced ROE and EPS (Consolidated net profit per share), which are the special focus points of the Company, by carrying out our financial and capital strategies to balance three factors. As a result of the positive feedback from investors and shareholders, the Company's share price in FYE 2021 rose to a record high 33 times.

Q Can you elaborate on the key points of the financial and capital strategies under "Brand-new Deal 2023"?

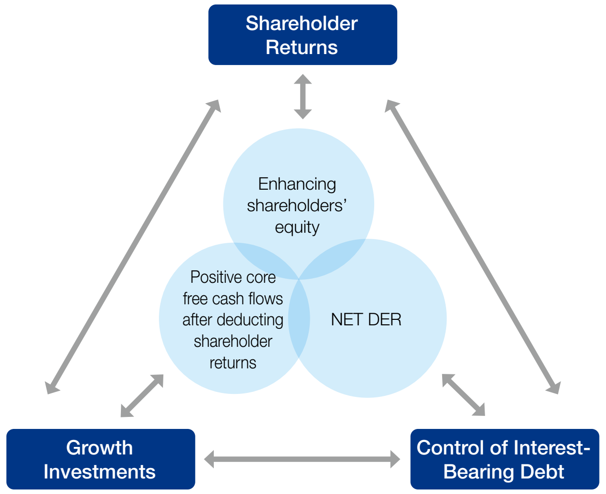
A The main point is that we will unwaveringly carry out our existing policies.

Although COVID-19 vaccinations are proceeding apace around the world and expectation for economic recovery is increasing, concerns about the re-spread of infection and uncertainty about the business environment after the pandemic cannot be dispelled. Moreover, we need to look more closely at the risk of plummeting resource prices that have remained historically high, geopolitical risks (such as the protracted U.S.–China trade friction), and the debate over tax increases in response to expanding government expenditures in addition to the trends in interest rates, exchange rates, and the stock market going forward.

In addition, the recent trend of responding to the SDGs, especially given accelerating climate change, creates major business opportunities. However, manufacturing businesses with high GHG emissions and companies with a high ratio of stranded assets assume that additional costs will be factored in such as those for withdrawing from businesses, product obsolescence, and restructuring. It is possible that the unclear business environment will become protracted.

Amid this environment, management needs to be balanced and not overly biased toward any particular direction. Under "Brand-new Deal 2023," we will continue to balance three factors, maintain highly efficient

Achieve High ROE While Balancing Three Factors



management (high ROE), and achieve sustainable growth in EPS. In short, there is no change in our existing financial and capital strategies.

As an additional key point, I would like to elaborate on the termination of share buybacks announced in June 2021. This has drawn many questions from the market. ROE and EPS are especially important to ITOCHU. I am sure you already understand our policy of aiming to enhance ROE and EPS fundamentally by expanding sustainable profit. In FYE 2022, there are contributions from expanded profit in the non-resource sector and rising resource prices, and profit is expected to significantly rise year on year. On the other hand, because uncertainty in the business environment in FYE 2023 and beyond cannot be discounted, we decided that it would be appropriate to fully reset the announced share buybacks and prepare for FYE 2023 and beyond. ITOCHU has carried out active and continuous share buybacks after carefully assessing future cash allocation. We will make no changes to this basic policy going forward.

Q What is your policy on cash allocation under "Brand-new Deal 2023"?

A Within the amount of surplus funds, we will continue considering how to best balance growth investments with shareholder returns, etc.

If yearly average core operating cash flows are ¥600.0 billion, surplus funds for each year under "Brand-new Deal 2023" will average ¥250.0–300.0 billion, which excludes capital expenditure of around ¥150.0–200.0 billion that is consistently incurred every year and shareholder returns of around ¥150.0 billion (assuming ¥100/share multiplied by around 1.5 billion eligible shares). These surplus funds could be used for additional shareholder returns or net investments after considering cash-in from the exits of existing investments. Going forward, within the amount of surplus funds, we will continue to balance allocation for conducting growth investments and expanding shareholders' equity as a risk buffer, as well as providing additional shareholder returns.

Regarding dividends per share (DPS), during the period of "Brand-new Deal 2023," we will continue our progressive dividend policy to steadily increase dividends as announced in FYE 2016. FYE 2022, the first year of the plan, will start with a minimum DPS of ¥94, which is ¥6 higher than the previous year's dividend of ¥88. Moreover, we have announced our intention to aim for ¥100 during the period of the plan. However, we plan to announce a revised shareholder returns policy, in light of the closer consideration of market expectations we received through follow-up dialogue with investors and shareholders after the announcement of the plan.

Under "Brand-new Deal 2023," ITOCHU's policy is to continue searching for prime investment projects, while being aware of the Company's cost of capital of 8%, as the Company strives to move from its initial plan of ¥530.0 billion in core profit in FYE 2022 toward ¥600.0 billion. In FYE 2021, regarding existing investments, we conducted evaluations using stricter criteria than ever and cleared up concerns about the future. We also revised internal investment criteria in line with present conditions, such as increasing the variety of hurdle rates for each industry (by country) from around 40 industries to around 70 industries. (➡ Page 40 Business Investment)

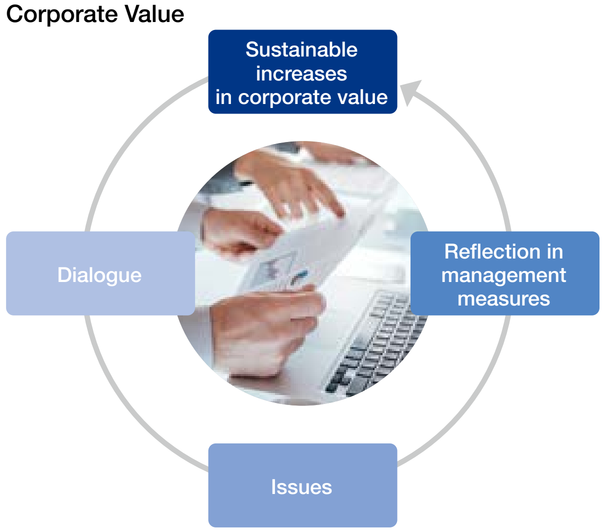
It is significant that at ITOCHU the CFO has served as chair of the Investment Consultative Committee for four years in a row. In FYE 2022, I again want to lead constructive discussions that assess the business environment from a consistently objective and conservative perspective.

Q Are there any measures that help reduce the cost of capital?

A I think it is important to continue fostering highly trustworthy dialogue.

I think that proactively promoting investor relations activities leads to a reduction in the cost of capital. Even amid the unusual pandemic environment, I took the lead in holding dialogues, expanding these both qualitatively and quantitatively to better enable all stakeholders, especially investors and shareholders, to further understand and evaluate the Company's strategies and policies. As one of the leading general trading companies, ITOCHU engages in highly trustworthy dialogue to better ascertain market expectations. We continue to make timely and appropriate disclosures, and these steps lead to further reductions in the cost of capital.

The Positive Cycle of Dialogue and Enhancing Corporate Value



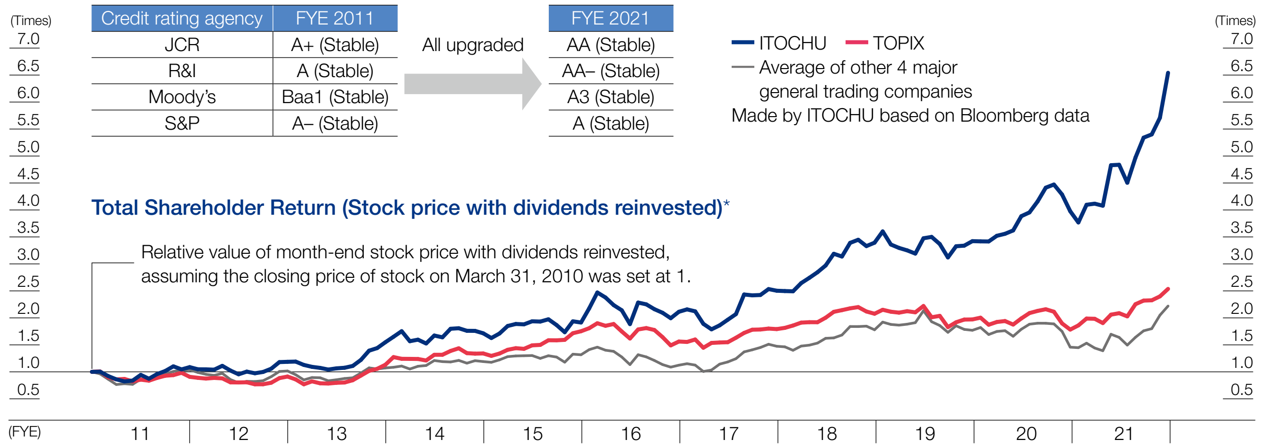
From an ESG perspective, we are also taking steps. Based on the recent trend of increased environmental awareness, ITOCHU became the first general trading company to publicly issue SDG bonds (U.S. dollar-denominated senior unsecured bonds). These bonds were issued in March 2021 to promote the use of energy storage systems and renewable energy, such as solar power and wind power, and procure certified coffee beans, etc. The purpose is to further enhance initiatives for the SDGs, and I believe the bond market also recognized the Company's genuine commitment through these initiatives. Going forward, by steadily implementing initiatives that are aware of market needs, we will continue working hard to enhance sustained corporate value.

Stock Price / PER / PBR / TSR

Stock price: Annual average of daily trading value
PER: Daily average of (Stock price x Number of issued shares excluding treasury stock ÷ Forecast of consolidated net profit, announced by ITOCHU)
PBR: Daily average of (Stock price x Number of issued shares excluding treasury stock ÷ Most-recent results of shareholders' equity)

	FYE 2011	FYE 2021
Stock price	¥784	¥2,694
PER	7.9 times	9.9 times
PBR	1.1 times	1.3 times

Credit rating agency	FYE 2011		FYE 2021
JCR	A+ (Stable)	All upgraded	AA (Stable)
R&I	A (Stable)		AA– (Stable)
Moody's	Baa1 (Stable)		A3 (Stable)
S&P	A– (Stable)		A (Stable)

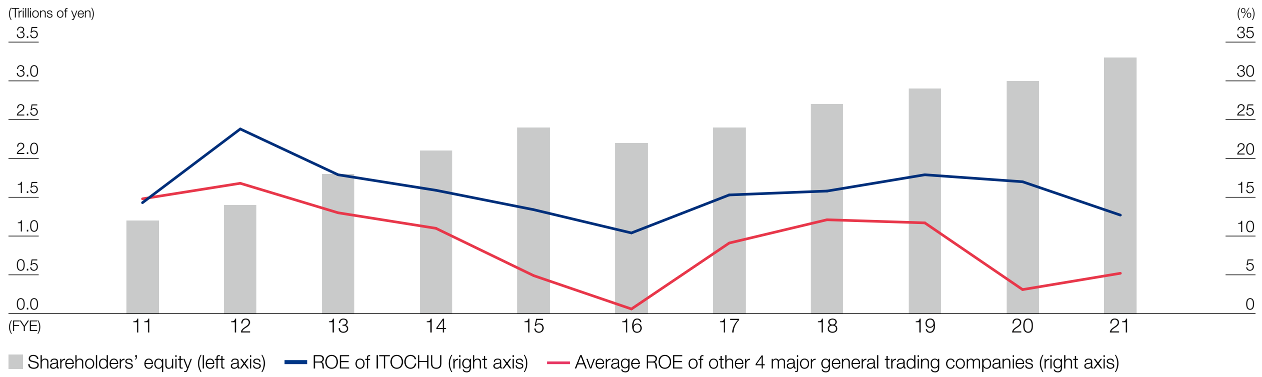


TSR* as of March 31, 2021

Ownership period	1 year	2 years	3 years	4 years	5 years	10 years
ITOCHU	64.5%	91.2% (38.3%)	92.8% (24.5%)	161.3% (27.1%)	209.6% (25.4%)	501.6% (19.7%)
TOPIX	42.3%	28.7% (13.5%)	22.2% (6.9%)	41.6% (9.1%)	62.5% (10.2%)	179.6% (10.8%)
Average of other 4 major general trading companies	48.8%	23.3% (11.0%)	25.3% (7.8%)	52.2% (11.1%)	100.2% (14.9%)	110.0% (7.7%)

* Total Shareholder Return (TSR): Return on investment assuming that dividends are reinvested. The chart above shows relative value of month-end stock price with dividends reinvested, assuming the closing price of stock on March 31, 2010 was set at 1. The table above indicates returns on investment during each period of holdings preceding from March 31, 2021. (Figures in brackets are rate of returns converted to the annual average by the geometric mean.)

ROE and Shareholders' Equity



Business Investment

Business Investment Process

Along with strategic business alliances, business investment is an important means of creating and expanding businesses. To actively promote strategic investments in areas of strength in a timely manner, we choose the optimal structure from a wide range of methods, such as establishing a wholly owned subsidiary, implementing joint investment with partners, and participating in management through M&As or converting to a consolidated subsidiary. In principle, we continuously hold investments. After making each investment, we work to maximize the investee's corporate value and to expand trading profits and dividends received by fully utilizing our Groupwide capabilities. Given such considerations as increases in larger-scale investments in recent years, we are rigorously screening the appropriateness of the business plan and acquisition price. For existing investments, to increase investment earnings and to exit quickly from low-efficiency assets, we are further strengthening monitoring procedures, centered on instituting more rigorous exit conditions and thoroughly implementing periodic investment review.

Investment Decisions

Decision-Making Process

We have established a multilayered decision-making process that achieves quick decision-making by giving a certain level of discretion to the Division Companies while striving to pursue investment return and curb investment risk.

Division Companies

- Applicants (responsible divisions)
- ↓
- Administrative divisions
- ↓ …Opinion based on risk analysis
- Division Company Management Committee (DMC) — Deliberation
- ↓
- Division Company President — Decision
- ↓
- Investment Consultative Committee*
- ↓
- Headquarters Management Committee (HMC)

Related administrative divisions express their opinions from various specialized perspectives regarding the application made by the applicants. Following careful discussion at the DMC, the Division Company President will make a final decision.

If the project needs further consideration and screening in terms of profitability and strategy, the project is discussed at the Investment Consultative Committee prior to the HMC.

* Investment Consultative Committee: CFO serves as the chair. Core members include CAO, General Manager of the Corporate Planning & Administration Division, General Manager of the Legal Division, General Manager of the General Accounting Control Division, General Manager of the Finance Division, and General Manager of the Global Risk Management Division. Meetings are also attended by one full-time Audit & Supervisory Board Member.

Projects that exceed the Division Company President's authority must be approved by the HMC.

Points for Making Decisions

Investment Purpose and Formulation of Growth Strategies	Verification of Business Plan Appropriateness	Compliance with Investment Criteria	Risk Analysis	Verification of Internal Control Status	Setting Exit Conditions

Thoroughly Verifying Appropriateness of Business Plan

- Scrutinizing business plans before making a new investment (including sensitivity analysis)
- Concrete countermeasures for downward divergence from original plan (including setting of exit measures)

Investment Criteria

- Investment efficiency based on Net Present Value (NPV) calculated from investee's free cash flows:
  When calculating NPV, about 70 hurdle rates (by country) are used according to industry.
- Cash inflows into ITOCHU, such as dividends received and earnings from trade activities
- Scale of investee's earnings

* From April 2021, increased from the previous around 40 hurdle rates by industry.

ESG Risk Evaluation

- Evaluate in advance the impact on the environment, society, etc., as well as the corporate governance status of the investment target using an ESG checklist composed of 33 items
- Conduct multifaceted ESG assessments, including on-site surveys, to prevent environmental pollution and other problems among Group companies even following investment

➡ Page 78 ESG Risk Assessment for New Business Investment Projects

Setting Exit Conditions

- Setting clear and feasible exit measures before making investment
  Clear exit conditions:
  Setting quantitative exit conditions that, in principle, call for exiting from the investment if conditions are met
  Feasible exit measures:
  Obtaining advance agreement with partners on exit conditions, etc.

➡ Page 42 "Prevent"—Upgrading Business Investment Management

Asset Replacement

- Promoting replacement of low-efficiency assets that meet exit criteria, as well as businesses that have lost strategic significance

Control of Cash: Continuously focus on our policy to maintain positive core free cash flows after deducting shareholder returns

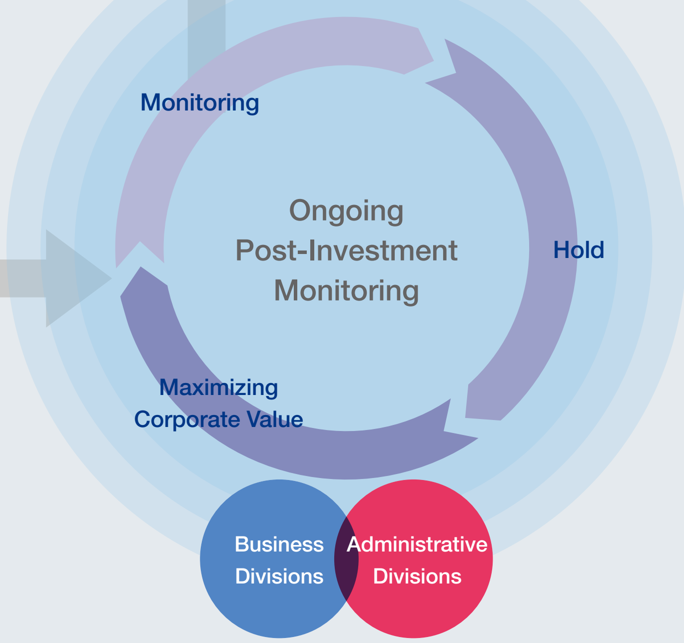
Exit Criteria

Monitoring

- Implementing review one year after investment
- Implementing periodic review for all business investments annually
- Reevaluating policies from qualitative (strategic significance, etc.) and quantitative (scale of earnings, investment efficiency, etc.) perspectives
- Formulating improvement measures for subsidiaries and affiliates with issues of deficits or dividends payout
- Following up throughout the year on policies and issue-improvement measures formulated in periodic review

For details
See Page 42

Execution of Investment



Enhancing Business Value Continuously through Collaboration

In each business investment process—including investment decisions and execution, monitoring, and asset replacement—administrative divisions provide a high degree of expertise that supports business divisions in implementing the Company's fundamental "earn, cut, prevent" principles.

For details **"Prevent"—Upgrading Business Investment Management**

We are enhancing asset replacement and improving issues of subsidiaries and affiliates by monitoring returns against original plans made at the time of investment. Moreover, even Group companies reporting profits should potentially be exited if returns are lower than the cost of capital.

Exit Criteria for Business Investment

(1) Cumulative losses for last three years

(2) Returns lower than original plans made at time of investment

(3) Cumulative losses in added value for last three years
[Consolidated contribution*1 – (Consolidated investment carrying amount x Cost of capital*2)]

*1 Consolidated contribution is the total of net profit and trade merit.
*2 Cost of capital: Set according to country and industry

If either criteria is met:

Positive added value	Negative added value
Consolidated contribution, including net profit attributable to ITOCHU / Consolidated investment carrying amount × Cost of capital / Added value (+)	Consolidated contribution positive but lower than cost of capital = Low-efficiency investment, therefore consider exiting even if profitable Consolidated contribution, including net profit attributable to ITOCHU / Consolidated investment carrying amount × Cost of capital / Added value (–)

Apply to the DMC and deliberate whether or not to continue the business
⇒ Enhance asset replacement or improve issues

Continue the business

Matters to be overcome:
(1) Improve consolidated returns
(2) Curtail increases in the consolidated investment carrying amount
(3) Prevent deficit and losses

EXIT

Approval by HMC of Policy on Holding Businesses

Implement monitoring from an ESG perspective based on the conditions of the business

➡ Page 78 Group Company Fact-Finding Investigations

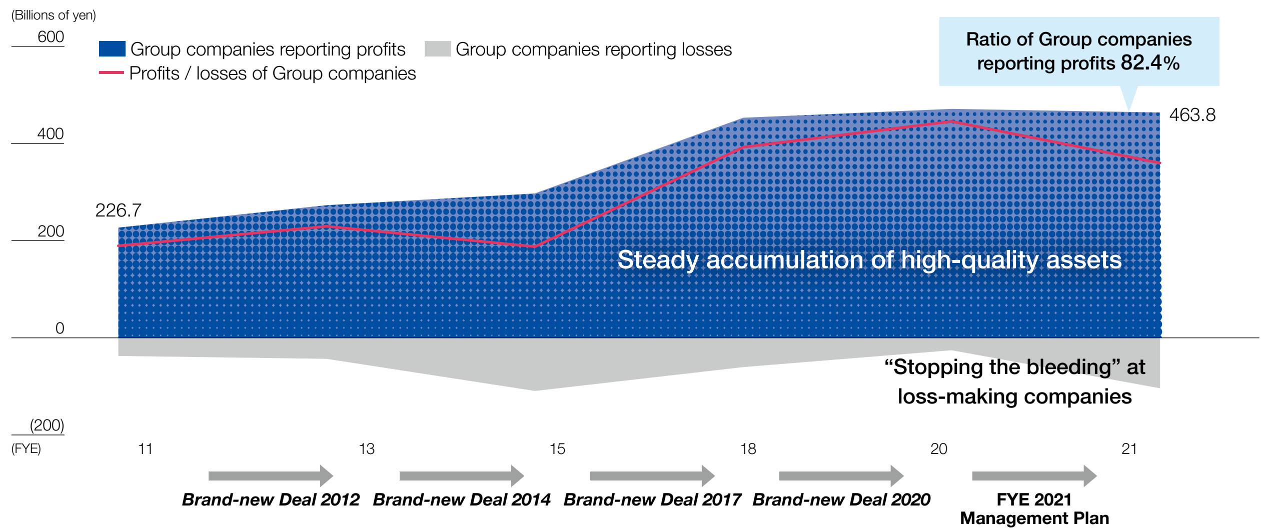
Improving Asset Efficiency

Enhancing the Corporate Value of Group Companies

ITOCHU increases the corporate value of Group companies by rigorously implementing the "earn, cut, prevent" fundamental business principles and strengthening monitoring, which is based on various types of assessments. For example, we steadily accumulate high-quality assets by conducting qualitative and quantitative verifications that take into consideration synergies in assessing investment efficiency and the strategic significance and earnings scale of business investments. Moreover, in relation to concern over possible future losses, at an early stage we evaluate investments and take appropriate measures by consistently applying conservative premises both for credit management and evaluations of the recoverability of various types of assets. Thanks to these activities, we have built a robust earnings base that is diversified across a wide range of business areas mainly in the non-resource sector and which is therefore highly resilient to economic volatility.

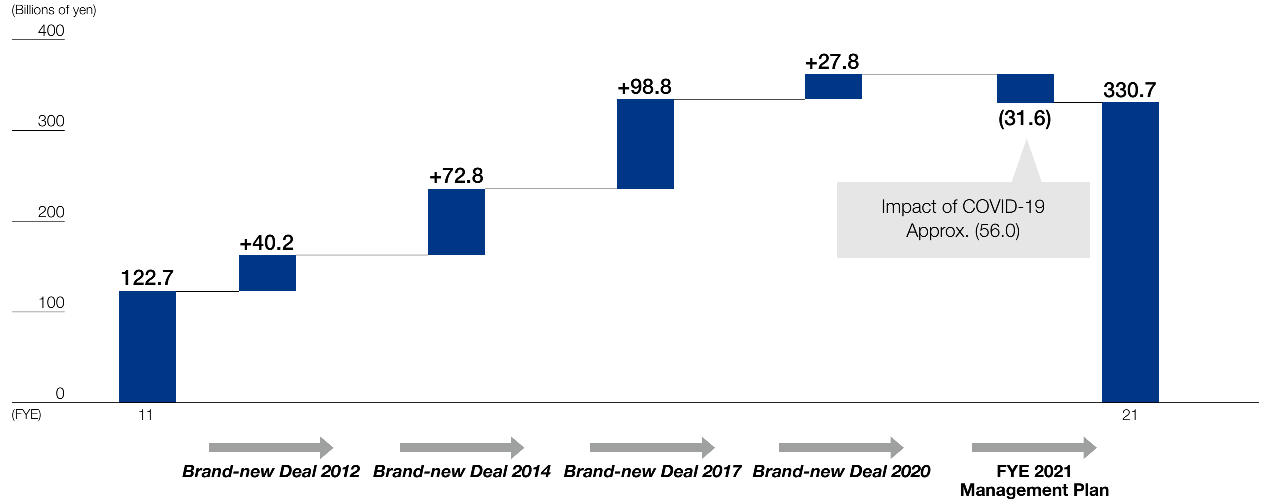
Achievement (1)

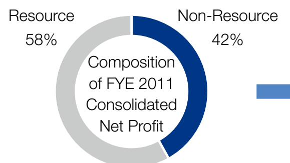
Continuous Accumulation of the Profits of Group Companies Through Implementation of "Earn, Cut, Prevent" Principles



Achievement (2)

Improvement in Core Profit-Making Power in the Non-Resource Sector Through Flexible, Continuous Asset Replacement

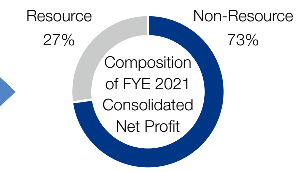




Total assets ¥5.7 trillion

Non-Resource	Investment	¥4.3 trillion
	Exit	¥1.4 trillion
Overall	Investment	¥5.4 trillion
	Exit	¥1.8 trillion

Accumulated investment and exit amounts since FYE 2011



Total assets ¥11.2 trillion

01 Driving Force for Sustainable Value Creation

CAO
INTERVIEW

Material Sustainability Issues

Material Sustainability Issues	Related SDGs
Evolve Businesses Through Technological Innovation We create new value by working on new technologies proactively and trying to respond to changes in the industry structure beyond the framework of existing businesses.	9
Address Climate Change (Contribute to Realization of a Decarbonized Society) We strive to adapt to the impact of climate change on business. At the same time, we work to promote business activities aimed at contributing to realization of decarbonization across society and reduce GHG emissions.	7, 13
Cultivate a Motivating Workplace Environment We create an environment that enables each employee to fully demonstrate their capabilities with pride and motivation by taking advantage of diversity.	5, 8, 10
Respect Human Rights We take initiatives for the respect and consideration for human rights through our business activities to stabilize our businesses and contribute to the development of local communities.	6, 8, 11
Contribute to Healthier and More Enriched Lifestyles We contribute to realizing a healthy, rich life, aiming to improve the quality of life of all people.	3, 9, 12
Ensure Stable Procurement and Supply We work to ensure the effective utilization and stable procurement and supply of resources in accordance with demand in each country, in consideration of biodiversity and other environmental issues, aiming to achieve a circular economy.	6, 12, 14, 15
Maintain Rigorous Governance Structures The Board of Directors implements highly effective supervision of management from an independent and objective standpoint and ensures appropriate and efficient execution of operations by improving the transparency of decision-making.	16

Guided by "*Sampo-yoshi*," we will take measures that pursue the "true nature" of a front-line perspective to enhance sustainable corporate value.

Fumihiko Kobayashi
Member of the Board,
Executive Vice President, CAO

Q What is ITOCHU's basic policy related to sustainability?

A We strive to affirm "what we should do" and "specific paths we should take" as we focus on pursuing our "true nature" from a front-line perspective.

In initiatives related to sustainability, ITOCHU always focuses on the "true nature" from the front-line perspective. Our basic stance is to steadily help enhance corporate value through business. Under this stance and as a merchant that emphasizes trust, we do not absentmindedly chase the trends of the times. But rather, we established material issues, that present "what we should do" to preferentially and independently solve social issues, and simultaneously affirmed "specific paths we should take" (action plans) to achieve these goals. (➡ Page 76 Initiatives to Promote Sustainability)

"*Sampo-yoshi*," the founding spirit of Chubei Itoh I that has continued to underpin ITOCHU since its beginning, serves as the axle upon which we will determine the direction of the initiatives. The business philosophy since our founding is to emphasize the benefit of not just the Company but also business partners and society from a long-term perspective, not merely pursuing short-term profits. There is no change in our policy of sustainable development going forward.

Q What are the characteristics and targets of the human resource strategies?

A We aim to be the best company in Japan and strive to cultivate a motivating workplace environment through highly unique measures.

We position human resource measures as important management strategies and thoroughly implement initiatives that pursue the "true nature."

With the lowest number of non-consolidated employees for a major general trading company at around 4,200, we need to increase labor productivity to come out on top amid the intense competition. To this end, we need to foster an environment where every employee can maintain their health, feel satisfaction, and make full use of their individual capabilities. The Morning-Focused Working System introduced in FYE 2014 is a prime example. We got a head start on the work-style reforms sweeping Japan with this initiative that emphasizes a withdrawal from the typical structure of having employees stay late to work many hours of overtime. Instead, we encourage employees to utilize the extra time created through better health and more efficient operations to engage with customers, develop skills, and further boost health.

As a long-term qualitative goal, we are striving to realize our vision of being the best company in Japan. The impetus was an email an employee sent before passing away from cancer four years ago. In it, he stated, "for me, ITOCHU is the best company." In his eulogy at the employee's funeral, Chairman & CEO Okafuji promised, with tears in his eyes, that he would make ITOCHU the best company in Japan. Starting with the Support Measures for Balancing Cancer Care and Work introduced at that time, we are working to foster environments where employees can work with peace of mind through highly unique measures.

In the rankings of most attractive employers in 2021, seven major institutions ranked ITOCHU No. 1 for general trading companies, and four of these institutions ranked ITOCHU No. 1 across all industries. I might be exaggerating, but I think it is evident that students realize that ITOCHU is a sustainable company worthy of entrusting their future lives. Although there is no direct measures of our goal of being the best company in Japan, I feel we are making steady progress on this front. (➡ Page 80 Human Resource Strategy)

Q What is the thinking behind the response to COVID-19?

A We emphasize the safety of employees protecting the front lines while hoping to serve society by helping the economy recover as quickly as possible.

Initiatives that pursue the "true nature" are consistent with various responses during the pandemic. In the consumer sector, which is ITOCHU's focus, partner companies support people's day-to-day lives on the front lines, and the Company must also protect the front lines with all its power. Of course, the safety of employees and their families comes above all else. We therefore take strict measures to prevent the spread of infections to the fullest extent possible, and, while paying close attention to the pandemic situation, we have not rigidly established a work system and instead have dynamically changed the percentage of employees working in the office around 20 times since 2020.

In addition, based on the idea of reassuring employees working on the front lines as quickly as possible, we have moved quickly to implement workplace vaccinations since the government announced its policy. We are providing vaccination for all of the approximately 6,000 workers who want to be vaccinated, including, of course, ITOCHU's employees as well as those of Group companies at the Tokyo and Osaka headquarters buildings and those of contractors at the Tokyo Headquarters, such as at reception, security, cleaning, and cafeterias.

The goal of workplace vaccinations is not just to speed vaccinations for employees. We also considered if there is anything we can do to help society. As mass vaccination sites of companies and securing doctors for vaccinations increased burden on local medical care, ITOCHU has committed to implementing its workplace vaccinations in line with its size so everything can be done wholly in-house. We are using our own buildings, industrial physicians and nurses, employee volunteers, and proprietary systems. We have uploaded the latest know-how gained from our workplace vaccinations on our website, including manuals and issues that arise, so that many other companies can adopt our measures, consequently helping reduce the burden on local medical care and contributing to the quick recovery of the economy. We opened our vaccination site to employees at medical institutions and corporate managers in charge of vaccination sites. Many have come to observe the sites, and we have also received a lot of positive feedback from local public organizations.

Childcare providers are also valued essential workers who support the front lines. Only when their children's safety is assured, thanks to the tireless efforts of childcare providers, can employees work with peace of mind and medical professionals fully devote themselves to medical care. With this in mind, we are also vaccinating all of the roughly 1,500 childcare providers who work in Tokyo and Osaka through the contractor which provides the Company's on-site day care. We hope that the scope of support widens for people making dedicated efforts to protect our lives, beginning with childcare providers.

Q What is the purpose of corporate branding activities?

A It is to expand engagement with the public, fulfill our larger social responsibility, and continue enhancing corporate value.

In January 2020, ITOCHU established the Corporate Brand Initiative (CBI), which comprises mainly branding and cross-media strategy experts, under the direct management of the CAO. The initiative is promoting corporate branding.

Due in part to achieving the general trading company "triple crown" in FYE 2021, ITOCHU has come to be seen by the public as a representative of general trading companies. We are taking on social responsibility larger than ever before. To meet the expectations of a wide range of stakeholders as well as society as a whole, we need to raise more awareness of ITOCHU's presence and activities among the public, including those who have not been very interested in the Company. In addition, we must strategically promote communication with consumers and society to steadily achieve our aims of "Enhancing our contribution to and engagement with the SDGs through business activities" and "Realizing business transformation by shifting to a market-oriented perspective." These aims were established as basic policies in the medium-term management plan. With this background, the Company is promoting corporate branding activities using an approach completely different from before.

Our first effort was changing the internal newsletter concept to a public relations magazine, raising the quality, and expanding the readership beyond just employees to include a wide range of stakeholders. The concept of "*SHONIN of the Earth*" is a magazine that anyone can enjoy reading, not throw out after finishing, and put it back on their shelf. It has become an effective communication channel with the general public due in part to it being made available at the TSUTAYA BOOKS in Daikanyama, Tokyo, and Umeda, Osaka. In addition, through newspaper advertisements, videos on our website, social media, radio shows, and other various channels, we take strategic actions for each target to foster an image different from the generally held image of general trading companies. In April 2021, we established ITOCHU SDGs STUDIO as a place to not only promote the Company's SDG activities but to support global SDG initiatives.

I think it is unique that ITOCHU, which has strengths in the consumer sector and thoroughly takes a market-oriented approach, is able to take an approach to communication rooted in the consumer perspective and not just unilaterally sending out information from the Company's side.

Q What is your analysis of recent improvement in the Company's external ESG evaluations?

A I think that presenting specific policies and steadily taking measures pursuing the "true nature" has led to an improvement in our evaluations.

In 2017, when the Government Pension Investment Fund (GPIF) selected three ESG-related indices, ITOCHU was the only general trading company not included in any of the indices. We recognized that the low evaluation from external ESG evaluations was a material management issue. Since then, the Sustainability Management Division, directly overseen by the CAO, took the lead by promoting a cycle of analyzing the underlying reasons for the external opinions, verifying the evaluations after disclosure, and further expanding disclosures. I, myself, frequently held dialogues with external evaluation institutions. Through three years of diligent efforts, we were lauded by various external institutions, as evinced by currently being the only general trading company included in all of four ESG-related indices chosen by the GPIF.

In addition, in 2018 we received the support of the Ministry of the Environment and conducted a scenario analysis based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). After fully evaluating the effectiveness through this scenario analysis, we announced our endorsement for the TCFD recommendations in 2019, and participated in the TCFD Consortium, which was established with the support of the Ministry of Economy, Trade and Industry, the Ministry of the Environment, and the Financial Services Agency. We did not just superficially declare support, but pursued the "true nature." This mindset led to our policy to completely withdraw from thermal coal interests and the industry's first disclosure of GHG emissions from all our owned fossil fuel businesses and interests. "Enhancing our contribution to and engagement with the SDGs through business activities" is the basic policy of the medium-term management plan. In the plan, we quantitatively announced "specific paths we should take" to achieve our long-term goals, rather than just stringing together abstract policies and pleasant-sounding words. Announcing specific policies and steadily taking action are characteristic of ITOCHU and have helped improve our external evaluations.
(➡ Page 65 State of Action on Climate Change)

Q What are you doing to ingrain the corporate mission of "*Sampo-yoshi*"?

A Without taking special initiatives, everyone already comprehends the mission and practices it.

Since revising the corporate mission into "*Sampo-yoshi*" in April 2020, we have not held briefings or taken any other measures to ingrain it internally. This was because the mission has already taken root as corporate culture in every employee subconsciously, and special awareness-raising measures were unnecessary. "*Sampo-yoshi*" is already a very familiar spirit for the Company. With "*Sampo-yoshi*" as a policy, every employee understands the "true nature" of sustainability and practices it at the business site, and each initiative therefore steadily leads to enhanced corporate value. Regarding "Enhancing our contribution to and engagement with the SDGs through business activities," we are accelerating initiatives at various front-line business sites. I feel very proud that this proof demonstrates that "*Sampo-yoshi*" is already deeply ingrained.

The corporate mission should be what employees cling to during the toughest times. The Company is very happy that this kind of corporate mission is ingrained in each employee. It is an important asset that the ITOCHU Group must continue to protect, so it can continue serving as our guiding light.