



# 04

## Initiatives and Systems Supporting Sustainable Growth

This section provides a PEST (political and legal, economic, social and cultural, and technological) analysis of macroenvironmental factors and describes our initiatives to promote sustainability. Risk countermeasures and how our business activities and business models relate to these factors and initiatives are highlighted. We also explain our human resource strategies for the sustained enhancement of “individual capabilities,” which can lead to growth opportunities, as well as our corporate governance systems and policies—the foundations of value creation.

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



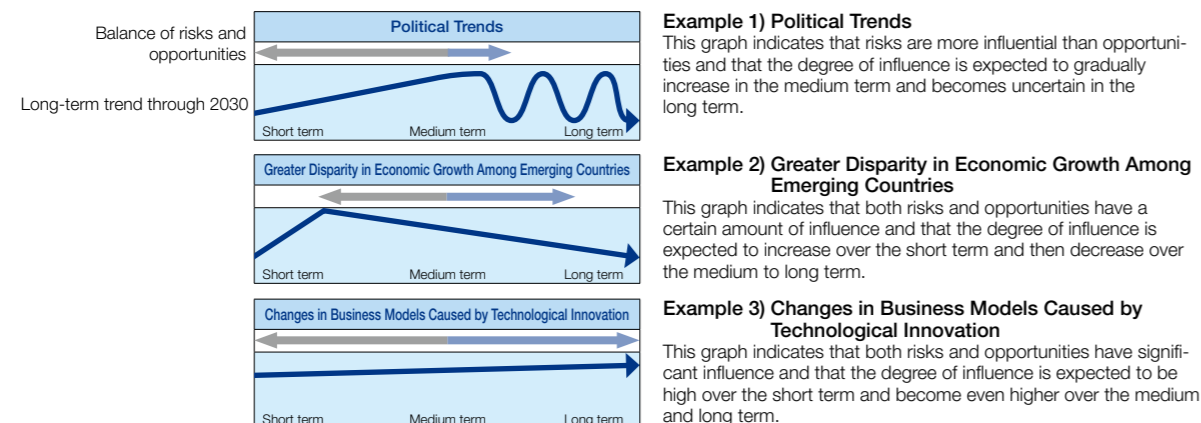
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# PEST Analysis (Macroenvironmental Factors Through 2030)

The ITOCHU Group's business environment is changing, and uncertainties are increasing. Through PEST analysis, we fully assess risks and opportunities in the context of macroenvironmental factors—such as the COVID-19 pandemic and responses to the SDGs—and build an even stronger competitive edge by implementing flexible measures and transforming businesses in response to changes in the era and the business environment.

**How to understand this page:** In the graph for each macroenvironmental factor, the upper part represents our view of the balance between the degrees of impact of risks and opportunities, while the lower part represents our projection of changes in the degrees of impact through 2030.



P (Political/Legal)		
Risks		Opportunities
	<b>Political Trends</b>	
Frequent policy changes and headwinds for the pursuit of profit	<b>Stagnation of liberalism and democracy (political instability, inequality issues, etc.)</b>	Increase in business opportunities of consumer-related businesses
Deterioration of the global economy, decline in trade volume, and tightening of export and investment restrictions	<b>Intensification of conflict between different political systems (democracies vs. non-democracies)</b>	Reform of supply chains and difficulty in procuring food and resources
Economic stagnation and financial market turmoil due to terrorism and military conflicts	<b>Geopolitical risks (East China Sea, South China Sea, Middle East, North Korea, etc.)</b>	Increases in prices of related items accompanying decreases in supply volumes of resources, etc.
	<b>Economic Policy Trends</b>	
Slowdown in pace of economic growth	<b>Focus on sustainability instead of growth</b>	Stable economic growth
Higher interest rates and increase in tax burden	<b>Normalization of fiscal and monetary policies</b>	Accelerated deregulation and society's expectations of the private sector with respect to economic growth, etc.
	<b>Changes in the Tax Code and Regulations</b>	
Disappearance of existing transactions	<b>Trade talks and agreements (TPP, RCEP, etc.)</b>	Increase in trade volume and generation of new sales channels
Shrinking of fossil fuel markets (coal, crude oil)	<b>Regulations to curb GHG emissions (Paris Agreement, etc.)</b>	Expansion of renewable energy markets (wind, solar, etc.)
Shrinking of existing transactions and increase in tax burden	<b>International tax trends (BEPS countermeasures, environmental taxes, corporate tax rate hikes)</b>	Generation of new sales channels through introduction of new taxes
Increase in regulatory response costs and reputational decline or damage	<b>Tighter regulations in the digital technology field (handling of personal data, etc.)</b>	End of data monopolies held by existing platformers and increase in availability of open data

With trust in the political leadership of developed countries wavering, political policies focus more on stability of citizens' livelihoods and domestic political stability. We will develop businesses amid increasing scrutiny of companies.

E (Economic)		
Risks		Opportunities
Decrease in business opportunities and trade volume	<b>Economic Stagnation in Developed Countries</b>	Emergence of new demand from changes in consumer and corporate behavior
Emergence of non-performing assets due to economic and social deterioration	<b>Greater Disparity in Economic Growth Among Emerging Countries</b>	Increase in consumer spending as standard of living improves; increase in demand for infrastructure and foodstuffs as population grows
Decrease in currencies of emerging countries; increase in overseas investment costs	<b>Dollar Appreciation</b>	Improvement in earnings environment due to yen depreciation
Formation and collapse of asset bubbles in specific fields and products	<b>Unstable Asset (Stocks, Real Estate) and Resource Prices</b>	Growth in earnings from trading
Excessive swings in project prices	<b>Change in Investment Environment</b>	Increase in expected returns as growth rebounds; more investment opportunities in fields of strength in accordance with restructuring

With growth of developed economies slowing as populations level off and the gap in growth potential widening among emerging economies, we will determine the correct balance between growth fields and fields that will peak out.

S (Social/Cultural)		
Risks		Opportunities
Decrease in fossil fuel demand as awareness of the SDGs grows; increase in additional costs arising from decarbonization measures	<b>Accelerating Response to Climate Change (Decarbonization)</b>	Increase in business opportunities in renewable energy, etc.; potential for acquisition of new customers due to heightening of added value or enhancement of brand value of existing products and services
Labor shortages due to low birth rate; outflow of personnel; harassment, mental health, and long working hours; increases in health-related costs	<b>Cultivating a Workplace Environment</b>	Improvement in labor productivity due to utilization of IT tools and advancement of diversity; increase in flexibility of work systems; improvement in health and motivation; securement of outstanding human resources
Human rights issue-related project delays and continuity risks; compliance violations; data leaks	<b>Respecting Human Rights</b>	Business stabilization and recruitment through harmonious coexistence with local communities; construction of an ethical procurement-based system for continuous supply of products
Decrease in creditworthiness when safety and health issues occur; destabilization of markets and the social security system	<b>Increasing Awareness on Health and Quality of Life</b>	Increase in demand for products and services compatible with a non-contact society; increase in demand for health promotion and visualization of food safety and security; expansion of information, financial, and distribution services due to digitalization
Occurrence of environmental issues and protest campaigns; increase in additional costs arising from efforts to ensure safety and peace of mind; industrywide structural exhaustion due to low-price competition	<b>Ensuring Stable Procurement and Supply</b>	Increase in demand for resources in emerging countries; stable supply provision that reflects consideration for environmental burden and human rights throughout entire life cycles of products
Decreases in corporate value assessment by investors; withdrawal of invested funds; exclusion from investment target; decline in stock price	<b>Strengthening Governance Structure</b>	Rise in corporate value assessment by investors; addition to investment targets; inflow of investment funds; increase in stock prices

Based on the "Sampo-yoshi" Group corporate mission, we will resolve social issues by providing products and services, creating new businesses, and replacing assets.

T (Technological)		
Risks		Opportunities
Obsolescence and extinction of existing business models from proliferation of new technologies such as AI, IoT, and decarbonization; leaks of internal data due to cyber criminals	<b>Changes in Business Models Caused by Technological Innovation</b>	Creation and provision of innovative services and new business models; improve productivity and optimize overall supply chain through use of new technology

By taking a market-oriented perspective to address rapid technological innovation and changes in consumer behavior, we will advance the transformation of business models.

# Countermeasures for Business Risks and Other Risks

Due to the diverse and extensive nature of its businesses, the ITOCHU Group is exposed to a range of risks, including complex market-related risk, credit risk, and investment risk. As unpredictable uncertainties are inherent in such risks, they may have significant effects on the Group's future financial position and business performance.

Viewing risk control as an important management task, we have established basic policies, administrative systems, and methods for managing the risks that we face.



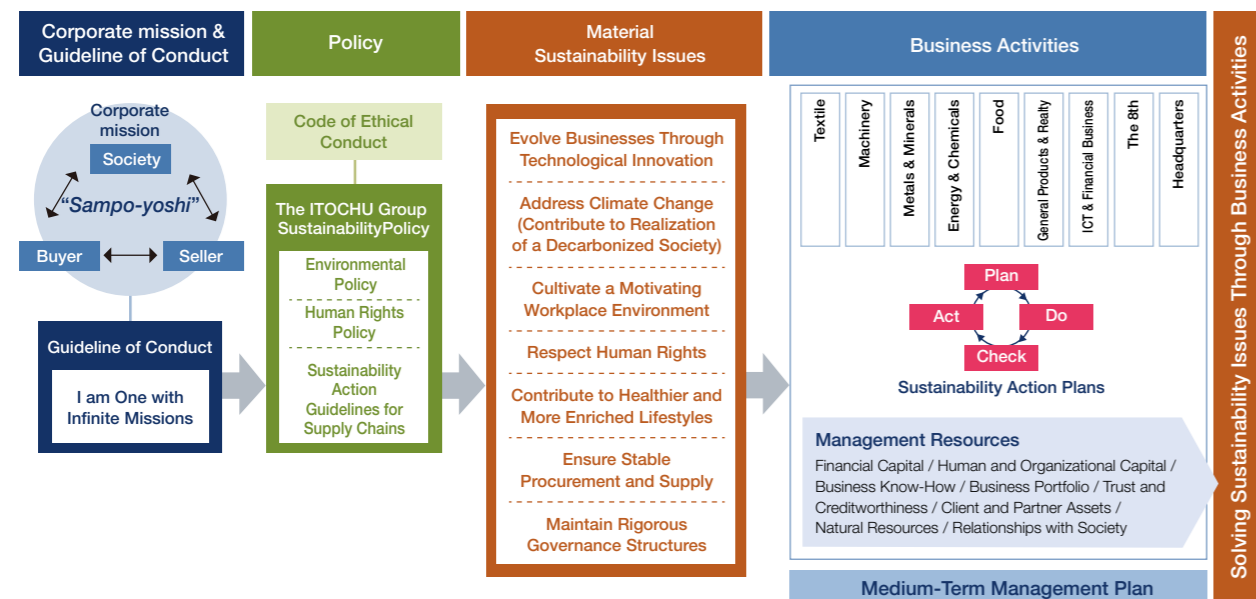
Risk Description	Countermeasures
<b>(1) Risks Associated with Macroeconomic Factors and Business Model</b> <ul style="list-style-type: none"> <li>Impact of changes in the business environment (economic trends, rapid technological innovation, deregulation, intensified competition, etc.) on existing business models and competitiveness → Page 72 PEST Analysis (Macroeconomic Factors Through 2030)</li> </ul>	<ul style="list-style-type: none"> <li>Changing business format based on "Realizing business transformation by shifting to a market-oriented perspective" and "Enhancing our contribution to and engagement with the SDGs through business activities" → Page 56 Medium-Term Management Plan "Brand-new Deal 2023"</li> </ul>
<b>(2) Market Risk</b> <p><b>a) Foreign Exchange Rate Risk</b></p> <ul style="list-style-type: none"> <li>Foreign exchange rate risk related to foreign currency-based transactions</li> <li>Risk of changes in periodic profit or loss and shareholders' equity through foreign currency translation adjustments</li> </ul> <p><b>b) Interest Rate Risk</b></p> <ul style="list-style-type: none"> <li>Risk of fluctuation in interest rates in both the raising and using of funds for investing, financing, and operating activities</li> <li>Impact of interest rate index reform related to the permanent suspension of Libor publication</li> </ul> <p><b>c) Commodity Price Risk</b></p> <ul style="list-style-type: none"> <li>Price fluctuation risk due to the holding of long or short positions in relation to actual demand transactions</li> <li>Risk of fluctuation in the prices of products of manufacturing businesses or businesses engaged in the development of metal, mineral resources, and energy</li> </ul> <p><b>d) Stock Price Risk</b></p> <ul style="list-style-type: none"> <li>Risk of price fluctuation of listed stocks held</li> </ul>	<ul style="list-style-type: none"> <li>Hedging transactions that use derivatives such as forward exchange contracts</li> <li>Monitoring the balance of net investments in foreign entities, which causes changes in foreign currency translation adjustments</li> <li>Quantifying interest rate mismatch amount and interest rate fluctuation risk</li> <li>Periodic analysis of interest rate trends</li> <li>Using Earnings at Risk (EaR) in monitoring the impact of interest rate fluctuations on interest payments</li> <li>Monitoring regulatory and market trends related to the transition to alternative interest rate indices</li> <li>Analyzing inventories, sales and purchase contracts, etc.</li> <li>Establishing commodity balance limits and loss cut limits, monitoring transactions, and implementing periodic reviews at middle and back offices</li> <li>Hedging transactions using commodity futures and forward contracts, etc.</li> <li>Using Value at Risk (VaR) to analyze and monitor market-sensitive commodity transaction risks</li> <li>Using VaR to periodically analyze and monitor the effect of stock price fluctuations on consolidated shareholders' equity</li> </ul>
<b>(3) Investment Risk</b> <ul style="list-style-type: none"> <li>Risk of failing to generate expected profits due to stagnation of the business of an investee and the risk of partial or total loss of an investment or the need to contribute additional funds</li> <li>Risk of being unable to exit or restructure a business at the desired time or manner</li> <li>Risk of being disadvantaged by an inability to obtain appropriate information from an investee</li> </ul>	<ul style="list-style-type: none"> <li>Implementing new investments through decision-making based on investment criteria</li> <li>Periodic monitoring of existing investments</li> <li>Replacing assets through the application of criteria for determining exit from investments with low investment efficiency, etc. → Page 40 Business Investment</li> </ul>
<b>(4) Risks Associated with Impairment Loss on Fixed Assets</b> <ul style="list-style-type: none"> <li>Risk of impairment loss on real estate, resource development-related assets, aircraft and ships, goodwill, and intangible assets, etc. due to declines in profitability, market downturns, changes in R&amp;D policies, drops in asset values, or additional unplanned capital contributions, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Replacing assets flexibly and building foundations for sustained growth through investment</li> <li>Making investment decisions after thorough deliberation on the appropriateness of acquisition prices</li> <li>Periodic monitoring after investments</li> </ul>
<b>(5) Credit Risk</b> <ul style="list-style-type: none"> <li>Credit risk in relation to debt, etc., becoming uncollectible or assuming responsibility for the fulfillment of contracts due to the deteriorating credit status or insolvency, etc., of business partners</li> </ul>	<ul style="list-style-type: none"> <li>Managing risks through the setting of credit limits and the obtaining of necessary collateral and guarantees, etc.</li> <li>Establishing allowances for doubtful receivables based on estimates of expected credit losses in light of the creditworthiness, the status of collection, and the status of receivables in arrears of business partners</li> </ul>
<b>(6) Country Risk</b> <ul style="list-style-type: none"> <li>Risk of unforeseen situations arising from political, economic, and social conditions, etc. and national expropriation or remittance suspension due to changes in various laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Establishing total limit guidelines on total exposure to each country and using in-house country credit ratings as the basis for establishing guidelines on limits for each country</li> </ul>
<b>(7) Risks Associated with Fundraising</b> <ul style="list-style-type: none"> <li>Risk of being unable to raise funds from institutions or investors under desirable terms and an increase in funding costs due to decline of creditworthiness in the financial markets or disruption to the financial systems of major financial markets</li> </ul>	<ul style="list-style-type: none"> <li>Securing sufficient liquidity through the use of cash and deposits, commitment lines, etc.</li> <li>Diversifying funding sources and methods</li> </ul>

Risk Description	Countermeasures
<b>(8) Risks Associated with Taxes</b> <ul style="list-style-type: none"> <li>Changes in estimates of taxable income due to tax planning</li> <li>Changes in tax planning</li> <li>Changes in the tax code, including changes in tax rates, etc.</li> <li>Changes in accounting judgments regarding the valuation of deferred tax assets</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of a Group tax policy and appropriate tax payments complying with tax laws and tax treaties, etc., in each country</li> <li>Maintaining fair relationships with tax authorities in each country and region through constructive dialogue</li> <li>Recording recoverable amounts of DTA by taking future taxable income and viable tax planning into consideration</li> </ul>
<b>(9) Risks Associated with Significant Lawsuits</b> <b>(10) Risks Associated with Laws and Regulations</b> <ul style="list-style-type: none"> <li>Risk of the Group's domestic or overseas business activities, etc., becoming subject to significant lawsuits, etc.</li> <li>Risk related to compliance, including personal misconduct by corporate officers or employees, and risk of damage to social trust</li> <li>Risk of the unexpected enactment, amendment, or repeal of laws and regulations by governmental, judicial, or regulatory authorities, etc., in Japan or overseas</li> <li>Risk of significant changes in various regulations due to marked changes in the social and economic environment, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Conducting appropriate reviews prior to transactions and managing and responding to lawsuits, etc.</li> <li>Developing, managing, and reinforcing compliance systems continuously and responding to trends in laws and regulations in a timely, appropriate manner</li> </ul>
<b>(11) Risks Associated with Human Resources</b> <ul style="list-style-type: none"> <li>Risk of not being able to respond sufficiently to opportunities for new business creation or business expansion due to shortages of personnel with the advanced knowledge and experience required for specific fields</li> </ul>	<ul style="list-style-type: none"> <li>Securing diverse human resources</li> <li>Realizing placement of the right people in the right positions through continuous skills development, including collaboration with Group companies, and developing rewarding workplace environments → Page 80 Human Resource Strategy</li> </ul>
<b>(12) Risks Associated with the Environment and Society</b> <ul style="list-style-type: none"> <li>Risk of delay or suspension of businesses, incurrence of countermeasure costs, and decline in social reputation, etc., in the event of environmental pollution, human rights violations, or other environmental or social issues</li> </ul>	<ul style="list-style-type: none"> <li>Establishing the ITOCHU Group Sustainability Policy and identifying material sustainability issues</li> <li>Acquiring environmental management system (ISO 14001) certification</li> <li>Conducting sustainability surveys of supply chains</li> <li>Assessing and identifying the human rights impact of business operations and building a human rights due diligence process</li> <li>Risk management for new investments by using an ESG checklist</li> <li>Analyzing and disclosing the impact of climate change on business and its performance and countermeasures based on TCFD, calculating and setting targets and measures for the reduction of GHG emissions. → Page 76 Initiatives to Promote Sustainability → Page 64 Business Expansion in Accordance with a Decarbonized Society</li> </ul>
<b>(13) Risks Associated with Natural Disasters</b> <ul style="list-style-type: none"> <li>Impact on business activities of natural disasters, such as earthquakes and outbreaks of infectious disease</li> </ul>	<ul style="list-style-type: none"> <li>Developing Business Continuity Plans (BCP) for large-scale disasters and outbreaks of infectious disease</li> <li>Introducing a safety confirmation system</li> <li>Conducting disaster prevention drills</li> </ul>
<b>(14) Risks Associated with Information Systems and Information Security</b> <ul style="list-style-type: none"> <li>Risk of the leakage of confidential or personal information due to unauthorized access from outside or penetration by computer viruses, etc., and the risk of the stoppage of information systems due to equipment damage or problems with telecommunications circuitry, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Establishing a code of conduct on the handling of information</li> <li>Establishing a Companywide informatization strategy for digitalization and data utilization</li> <li>Building and managing IT systems that promote information sharing and operational efficiency</li> <li>Establishing security guidelines considering cybersecurity risks</li> <li>Developing an IT environment</li> <li>Strengthening technical security countermeasures for malware, etc., and capabilities of a cybersecurity response team</li> </ul>
<b>(15) Risks Associated with the Outbreak of COVID-19</b> <ul style="list-style-type: none"> <li>Impact of business environment changes in various fields</li> <li>Impact of fluctuations in foreign exchange rates, interest rates, commodity prices, stock prices, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring the safety of employees and related parties and preventing the spread of infection</li> <li>Contributing to the stability of daily life in society as a whole through the maintenance of supply chains in various fields</li> <li>Conducting detailed monitoring and implementing "cut, prevent" principles even more rigorously</li> <li>Evolving business models with an eye on post-COVID-19 society</li> </ul>

# Initiatives to Promote Sustainability

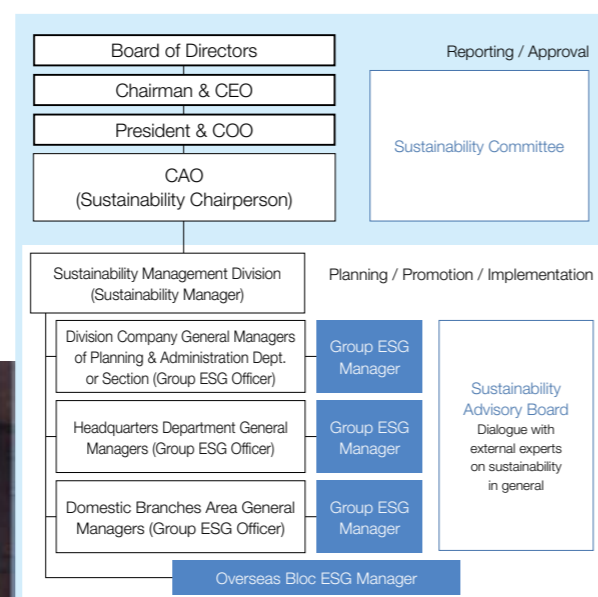
## Sustainability Promotion Flow

Having established the ITOCHU Group Sustainability Policy in accordance with its corporate mission and changes in the external environment, ITOCHU promotes sustainability initiatives systematically throughout its organization. Of particular note, each Division Company and administrative division incorporates ITOCHU's material issues, which are identified as issues to be addressed with priority, into Sustainability Action Plans. We will continue to sustainably enhance corporate value and resolve social issues through our business activities, namely trade and business investment, while ensuring that we maintain and improve profitability.



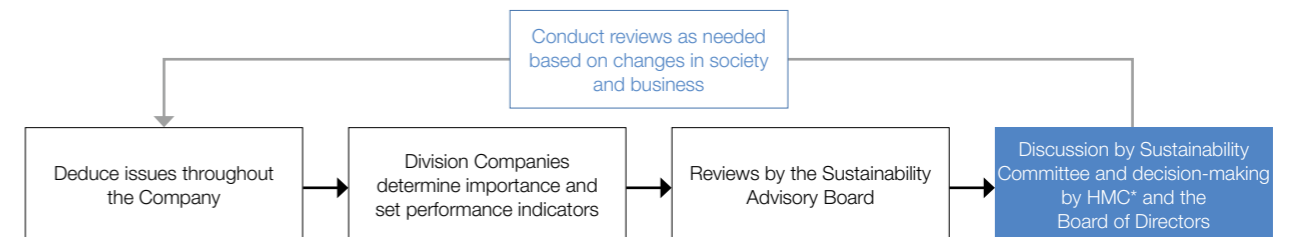
## Structure for Promoting Sustainability

The Sustainability Management Division plans measures to advance sustainability. After these are decided by the CAO, they are carried out by each organization. The Sustainability Committee deliberates and makes decisions concerning formulation and revision of basic policies and important matters. Through dialogue with stakeholders such as the Sustainability Advisory Board, we gain an understanding of society's expectations and demands, etc., which we use in our efforts to promote sustainability.



## Identification and Review of Material Issues

Since ITOCHU first identified material issues in 2013, we have conducted regular reviews based on trends in the international community and the expectations of stakeholders. In FYE 2019, when the previous medium-term management plan kicked off, we identified seven material issues based on the adoption of the SDGs, the Paris Agreement on climate change coming into effect, and other social developments and changes affecting business. We continue to apply the same material issues for "Brand-new Deal 2023."



\* HMC = Headquarters Management Committee

## Expanding Sustainability-Related Disclosure

The Group places great importance on dialogue with various stakeholders, including NGOs, NPOs, and local communities, as well as investors, shareholders, business partners, and employees. To provide wider access to the Company's sustainability-related information, we have expanded our disclosures through our sustainability website and ESG report. By recognizing stakeholder expectations and concerns, ITOCHU is reflecting measures to address these issues in its business activities and promote sustainability.

Our proactive attitude towards disclosure has helped improve our sustainability rating. In December 2020, ITOCHU received the highest AAA rating for the first time as a general trading company in the MSCI ESG Rating. As a result, we were included in all the ESG-related indices adopted by the GPIF (→ Page 116 ESG Data), and ITOCHU became the GPIF's No. 1 ESG investment among general trading companies in FYE 2021.

Going forward, we will continue expanding sustainability-related disclosures while emphasizing dialogue with stakeholders.

Please see the ESG report for details.  
<https://www.itochu.co.jp/en/csr/report/>



## Establishment of the ITOCHU SDGs STUDIO

We established the ITOCHU SDGs STUDIO in April 2021, as a base for boosting awareness of worldwide initiatives related to all of the SDGs. This unique place supports not just the Company's SDG initiatives but also worldwide initiatives related to the SDGs, and the studio provides an events space and recording booth with the aim of contributing to a sustainable society. The studio hosts various events and produces radio shows as a way regular people can learn about how the SDGs are relevant to their own lives.



We provide information related to the SDGs from the recording booths through an ITOCHU-sponsored show on J-WAVE, etc.

At the event space, we host various projects related to the SDGs.

Please see our website for further information.

[https://www.itochu.co.jp/en/news/press/2021/210415\\_2.html](https://www.itochu.co.jp/en/news/press/2021/210415_2.html)

## Sustainability Management Aligned with Our Business Activities

ITOCHU understands that in order to realize the stable and sustainable procurement and supply of raw materials, it must respond appropriately to environmental and human rights risks in its increasingly wide-ranging and complex supply chains.

We conduct sustainability management aligned with each of our business activities, including trade and business investment. Through supply chain sustainability surveys and ESG risk assessments for new business investment projects, etc., we enhance the transparency of not just the Group but the entire supply chain and promote initiatives with an awareness of human rights, labor, the environment, and more. In this way, we are building a sustainable value chain that will enhance the Group's competitiveness and corporate value.



### ESG Risk Assessment for New Business Investment Projects

When making new business investments, we use the ESG checklist for investments to conduct a thorough due diligence on the status of the business investee's sustainability promotion system and policy, as well as the risks of significant effects on the environment, violations of laws and ordinances, and complaints, etc. This checklist consists of 33 check items, being conscious of the elements of the seven core subjects\* in ISO 26000. With this checklist, the division making the application (business division) is required to refer to reviews based on risk analysis from Sustainability Management Division, and to request additional due diligence from external specialist organizations on areas of concern that require an expert opinion, such as soil pollution surveys for building construction. The project is then only undertaken upon confirming that there are no problems in those results.

\* Organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development

### Group Company Fact-Finding Investigations

We have continually conducted on-site investigations of Group companies since 2001 to prevent environmental pollution and other problems.

Although we temporarily halted on-site visits in FYE 2021 in accordance with COVID-19 prevention measures, we completed investigations into a cumulative total of 285 offices as of March 31, 2021.

In these investigations, we conduct wide-ranging inspections such as the factory and warehouse facilities, drainage to rivers, compliance with environmental laws and regulations, consideration for labor safety and human rights, and communication with the local community in addition to holding a Q&A session with management. We also identify problems and present preventative measures, and follow up to check whether the issues have been corrected.



Survey at Dole Thailand Ltd.

### Sustainability Surveys and Human Rights Due Diligence

We notify all of our suppliers of the Sustainability Action Guidelines for Supply Chains before conducting business with them. We only begin business with them after thorough communication with them on our sustainability-related policies. In addition, we conduct a yearly sustainability survey of our main business partners to better understand their situation. (In FYE 2021, we surveyed 310 companies.)

Furthermore, based on the Group's human rights policy, we began doing more thorough due diligence related to human rights. In FYE 2021, we conducted human rights due diligence in the Food Company and built a process for identifying and assessing risks and then taking corrective measures. The results are disclosed on ITOCHU's website. Going forward, we will continue to gradually expand the scope of human rights due diligence to encompass the scope of our other businesses.

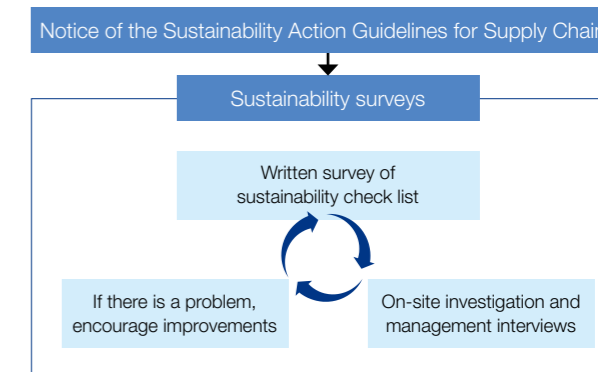
Through these measures, we will fulfill our responsibility to provide a stable supply of goods to support people's lives while reducing risks in the supply chain related to human rights, labor, and the environment.

To see the progress of our human rights due diligence for 2020, please see ITOCHU's sustainability website.

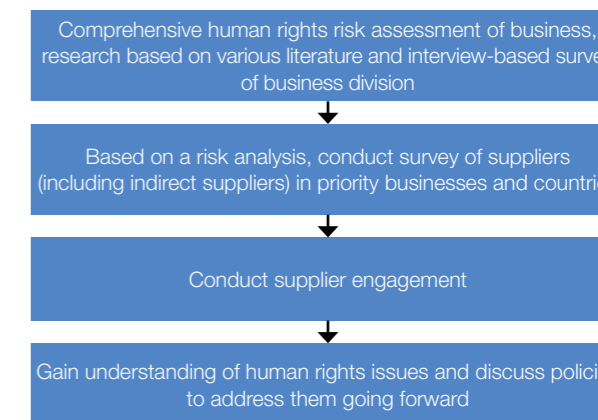
[https://www.itochu.co.jp/en/csr/society/human\\_rights/](https://www.itochu.co.jp/en/csr/society/human_rights/)



### Supply Chain Management Promotion



### Human Rights Due Diligence Flow Chart



### Supplier Checking System of the Food Business

In the Food Company, we have put a unique management system in place. We take a wide range of measures to ensure safety in the food business through checks of new suppliers' production management before beginning business, as well as periodic audits of suppliers. We conduct the periodic audits in line with ITOCHU's proprietary food safety management manual and with reference to international food safety standards. In addition, we established the Chinese Food Safety Management Team in China in order to build a management system of the same caliber as the one in Japan.

A sanitation management system based on a Hazard Analysis Critical Control Point (HACCP) is now mandated, following an amendment to the Food Sanitation Law. In accordance with the new law, we will further expand the businesses subject to on-site audits in the food supply chain.

### Enhancing Traceability as a Business



ITOCHU is working to promote its traceability business as a new revenue stream. In the General Products & Realty Company, we have developed a traceability system for natural rubber and have begun to produce traceable natural rubber. (➡ Page 111 Procuring Natural Rubber from Sustainable Natural Resources) In the Food Company, in addition to expanding trade of third-party-certified products, such as vegetable oils, we invested in the coffee traceability and sustainability platform Farmer Connect SA.

By expanding the traceability business, we aim to increase our earning power while enhancing our contribution to and engagement with the SDGs.

# Human Resource Strategy

## Cultivate a Motivating Workplace Environment

ITOCHU's management team is committed to creating a company that is challenging but rewarding to work for. With maximizing the "individual capabilities" of our streamlined workforce as an important management strategy, we have steadily improved labor productivity by enhancing the health and motivation of each employee and strengthening their sense of participation in business management.

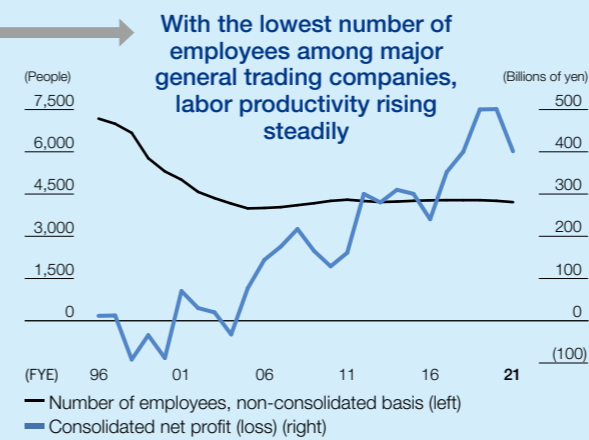
The aforementioned initiatives have created a virtuous cycle in which a favorable external reputation enables us to recruit outstanding personnel even amid expected structural labor shortages and increased human resource mobility.

Going forward, we will continue introducing measures to make this virtuous cycle even more powerful.

### Growth in Corporate Value through Improved Labor Productivity

- Received the Ministerial Award for Women-Empowering Companies 2020
- Company ranking among job-seekers according to 7 major institutions\*  
**[All company] Ranked NO. 1 by 4 institutions**  
**[General trading company] Ranked NO. 1 by all institutions**

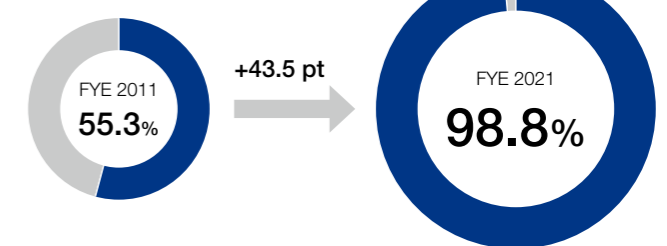
\* From 2022 graduates, the Company received first-place rankings among all companies in the surveys of GAKUJO Co., Ltd., DIAMOND HUMAN RESOURCE, INC., Rakuten Group, Inc., and Nippon Cultural Broadcasting Inc., and received first-place rankings among general trading companies in the surveys of all seven institutions, which were the four said organizations and DISCO Inc., WORKSJAPAN Co., Ltd., and Mynavi Corporation.



### Increase Awareness of Participation in Management (Shared Value with Shareholders)

INPUT	OUTCOME
Encouraging participation in the Employee Shareholding Association	• Participation in the Employee Shareholding Association in FYE 2021: 98.8%
Stock compensation scheme (from FYE 2020)	• Raising each employee's sense of participation in business management
Compensation highly linked to the Company's performance	• 40% of bonus amounts based on the Company's performance • Raising awareness of the Company's performance

### Percentage of Membership in the Employee Shareholding Association



## Developing Capabilities

INPUT	OUTCOME
<b>Providing growth opportunities based on individuals' aptitudes and careers</b> • Approx. ¥1.1 billion earmarked for investment in human resource development in FYE 2022	• Energizing all generations by improving each individual's job satisfaction
<b>Empowering women</b> • Fostering the next generation of managers through systematic provision of work experience	• Two female Outside Directors, two female Executive Officers* • 35 female corporate officers and divisional managers* • Percentage of women in management positions: 8%*
<b>Increasing the number of Chinese-speaking employees (from FYE 2016)</b>	• Employees with Chinese-language qualifications in FYE 2021: 1,231 (more than one-third of all career-track employees)

\* As of April 2021

## Pursuing Efficiency

INPUT	OUTCOME
<b>Expanding and improving ICT infrastructure</b> • Introducing thin-client terminals and digitalizing application forms • Advancing introduction of robotic process automation at each work site	• Realizing work styles that are resilient amid the COVID-19 pandemic • Allocating limited working hours to high-value-added work
<b>Reducing excessive meetings and documents</b>	• Increasing the flexibility of work styles and improving work efficiency
<b>Morning-Focused Working System (from FYE 2014)</b> • Shift from the tendency to work late-night to morning-focused working style • In principle, prohibit work after 8:00 p.m., and encourage to work in early morning (Offer free breakfast, provide a higher wage rate for people who start work before 8:00 a.m.)	• Improve operating efficiency and use time more effectively (Morning Activity Seminars, self-improvement, etc.) • Reduce overtime work, correcting the issue of long working hours

### Results of Morning-Focused Working System

		Before introduction	One year after introduction	Average between sixth and eighth year after introduction
Leaving the office*1	8:00 p.m. or after	30%	7%	6%
	Of which, 10:00 p.m. or after	10%	Almost 0%	Almost 0%
Entering the office*1	8:00 a.m. or before	20%	34%	48%
Average overtime hours per month*2		—	(7%)	(5%)
Annual paid leave utilization rate*2		—	—	Increased 7%

\*1 % of people in the headquarters

\*2 Compared with the level before we introduced the Morning-Focused Working System



## Improving Motivation

INPUT	OUTCOME
<b>Infinite Missions Award (from FYE 2021)</b> • Commending teams that have achieved results based on Guideline of Conduct	• Encouraging businesses based on market-oriented perspectives, SDG initiatives, and digitalization
<b>Dress-down Days (from FYE 2018)</b> • Allow employees to work in casual clothing from Tuesday through Friday (every day in summer)	• Expressing individuals' attitudes toward work through attire and raising employees' motivation and enjoyment of work • Realizing an environment that encourages an active interest in various matters, flexible thinking, and the formation of new ideas
<b>Hiyoshi Dormitory (from FYE 2019)</b> • The largest dormitory for single men among general trading companies (approx. 360 residents)	• Forming vertical, horizontal, and diagonal networks that transcend age and departments and building strong organizational cohesion

➡ For Engagement Survey results, please see page 117.

## Enhancing Health

INPUT	OUTCOME
<b>ITOCHU Health Charter (from FYE 2017)</b> • Approx. ¥13.0 million earmarked for health and productivity measures in FYE 2022	• Increase employee motivation and sense that work is worthwhile
<b>Support Measures for Balancing Cancer Care and Work (from FYE 2018)</b> • Regular special checkups in cooperation with the National Cancer Center Research Institute • Establish systems individually to encourage the balance between treatment and work tasks • Provide full Company assistance for expenses for advanced cancer treatment • Provide schooling and work support for bereaved family members	• Create an environment where employees can feel secure and devote their full attention to work • Nearly 100% screening among people targeted for cancer screening in FYE 2021 • Providing an individual employee support system by health nurses

### COVID-19 Countermeasures

INPUT	OUTCOME
• Conducting workplace vaccinations, all aspects of which are arranged by the Company, including medical resources and vaccination sites • Collaborating with Tokyo Women's Medical University Hospital	• Establishing environments in which employees can work with peace of mind even amid the COVID-19 pandemic • Providing know-how on workplace vaccinations to external parties

## Further Enhancing ITOCHU's Corporate Value

Three Outside Directors discuss ITOCHU's management aims to enhance sustainable corporate value.



A major issue going forward will be how to develop the next management team.

### Atsuko Muraki

Outside Director

Ms. Muraki assumed a position as member of the Board of Directors at ITOCHU in June 2016, after serving as Vice Minister of Health, Labour and Welfare. She has been serving as Chairman of the Nomination Committee from FYE 2021, and leads deliberations on the appointment and dismissal of key management members and succession plans. She also provides many helpful suggestions concerning internal control, compliance, deploying personnel, and strengthening organizations.

### —Please tell us about the general atmosphere of the Board of Directors.

**Atsuko Muraki:** ITOCHU achieved the “triple crown” for general trading companies in FYE 2021, but back in FYE 2016, it felt somewhat surreal when the Company snatched the No. 1 spot in consolidated net profit among general trading companies. This time, however, the management team has accepted the accomplishment of the “triple crown” with confidence and self-awareness, and I really feel that ITOCHU has become a company that can continuously seize the No. 1 spot.

**Masatoshi Kawana:** Instead of reveling in the “triple crown,” we focused our discussions on FYE 2022, which has already started, and beyond. Certainly, there was an awareness that we cannot let this be a one-off accomplishment. Of the “earn, cut, prevent” principles, the “cut” and “prevent” principles in particular have been repeatedly emphasized. Management understands that the better the Company's position, the more defensive we need to be.

**Makiko Nakamori:** What impresses me is glimpsing the Company's strong will to verbalize, ingrain, and practice culture and tradition. You can see this in the easy-to-remember phrase “earn, cut, prevent” and the renewed corporate mission of “*Sampo-yoshi*.” A major strength for ITOCHU seems to be that all executives and employees comprehend and embody the management team's management philosophy. Discussions at Board meetings are quite thorough, delving into detailed analyses of debt collection and contract conditions, fostering an awareness of the need to constantly monitor risks. My impression is that our deliberations always assume the worst case, elevating defense to the same level as offense.

### —What kind of discussions took place in formulating the new medium-term management plan?

**Muraki:** Just a couple years ago, discussions related to the SDGs were still somewhat abstract. These became much livelier as we pursued real substance under the current medium-term management plan “Brand-new Deal 2023.” Results of the discussions are incorporated into specific quantitative goals and schedules related to GHG emissions reductions as well as the complete withdrawal from thermal coal interests, something I feel displays ITOCHU's seriousness.

**Kawana:** From a doctor's perspective, this seriousness is not a big surprise. The Company has taken measures

aligned with various SDG concepts. For example, ITOCHU fosters workplace environments where employees can work peacefully by promoting work-style reforms, such as the “Morning-Focused Working System,” and health promotion measures, such as “Support Measures for Balancing Cancer Care and Work.” We have repeatedly held engaging discussions from the perspective that by working to achieve the SDGs, we will not only contribute to society but also support the sustainable growth of ITOCHU. We therefore were able to reasonably accept the proposed basic policies. Creating a detailed roadmap with sufficient forecasts for concepts that typically tend to be discussed in ambiguous terms—this, I think, is a unique planning style of ITOCHU, which always presupposes turning words into accomplishments.

**Muraki:** When formulating the current medium-term management plan, management listened closely to the opinions of the Outside Directors and reflected them in the measures. This resonated with me. Because the SDG initiatives are undertaken by a general trading company



I expect the Company to accelerate SDG initiatives while strengthening its stance on meeting social demands through business.

### Makiko Nakamori

Outside Director

Ms. Nakamori possesses a high level of expertise on finance and accounting as a certified public accountant and a wealth of experience as a corporate manager. She assumed a position as member of the Board of Directors at ITOCHU in June 2019. She served as a member of the Governance and Remuneration Committee in FYE 2021 and currently serves as a member of the Nomination Committee for FYE 2022. She often provides helpful advice based on her specialized knowledge and unique experience in the fields of internal control, compliance, and DX.



I would like ITOCHU to avoid shifting its business fundamentals and remain a company that welcomes change.

### Masatoshi Kawana

Outside Director

Mr. Kawana served as Vice President of Tokyo Women's Medical University Hospital, in addition to other positions, where he gained a high level of experience in hospital management and advanced knowledge of medical care. He assumed a position as member of the Board of Directors at ITOCHU in June 2018. He has been contributing to the further development of governance at ITOCHU as Chairman of the Governance and Remuneration Committee from FYE 2021. He uses his expertise to provide many useful proposals and suggestions in the fields of health management and the establishment of preventive measures against in-office infection of COVID-19.

with a wide range of businesses, throughout the discussion process we suggested that the Company tell a story about the measures overall, that is connected from the past to the present and future to ensure all of its stakeholders clearly understand the concepts and their impacts. When trying to convey the story, we are cognizant that there are actually numerous SDG-related projects within the Company. One of the major advantages of a general trading company is that due to its wide scope of contact points, it can help not only other companies achieve the SDGs but also society as a whole. I therefore think that visualizing this in publicly released materials was extremely beneficial.

**Nakamori:** The speed at which the disclosure proposal on this story moved straight to implementation is characteristic of ITOCHU. The Company became even more aware of its relationship with society, and it is very meaningful that employees were able to comprehend the connection between each initiative and the SDGs. We also interpreted the breakdown of the product silos, which has been progressing for the last few years, as a story. I imagine that the Company can continue further accelerating these efforts while creating new initiatives.

—Please tell us about the process used to select Keita Ishii as President & COO.

**Muraki:** When selecting Keita Ishii as President & COO, the Nomination Committee held numerous discussions about what kind of business leader ITOCHU would need going forward. All the Outside Directors narrowed down the choices by holding hearings for the candidates regarding their careers to date, their mindsets, and how they want to change the Company moving forward. Through the final discussion at the Nomination Committee, we reached a unanimous decision on the selection. Personally, I believe Mr. Ishii is an appropriate President & COO for ITOCHU, as he has big dreams and sets ambitious goals while taking a very realistic approach to achieve them and making strident efforts in pursuit of a frontline-first philosophy.

**Kawana:** Through hearings by Outside Directors, we came to understand that President & COO Ishii has worked hard for customers and consistently displayed a merchant attitude for many years by selling products while building trust. We all arrived at this understanding.

**Nakamori:** He has an excellent balance between a frontline perspective and a Companywide perspective. He is kind to people, bright, and energetic. He not only easily endears himself to customers, he has the ability to motivate people and organizations. We did not tell the candidates that the hearings were for the selection of the President & COO, and we maintained a very open atmosphere. We were able to ask about what we wanted to know, and the hearings were very fruitful. Also, the hearings helped us get to know the character of the people who will lead ITOCHU in the future, something that would be difficult to grasp in the limited time at meetings of the Board of Directors. This was also a useful opportunity for us to provide advice from an outside perspective.

—How would you evaluate ITOCHU's COVID-19 response?

**Kawana:** ITOCHU had a prepared Business Continuity Plan for an outbreak of a new influenza virus. Based on the plan, even before COVID-19 was spreading in Japan, we predicted the impact of the pandemic would reach Japan, and, under the guidance of the CAO, made preparations. Constantly taking forward-looking measures is fully in ITOCHU's character and exemplified by the early implementation of the workplace vaccine program. Furthermore, the implementation of our work from home system was very flexible. Instead of simply raising the percentage of employees working from home in one fell swoop, it was more appropriate for ITOCHU, which has many businesses in the consumer-related sector, to flexibly adjust the percentage of workers coming into the office for each week and day. Swift organizational response to rapidly changing guidance is also characteristic of ITOCHU's corporate culture.

**Muraki:** I concur. For example, when COVID-19 first started spreading, in light of an employee survey that revealed uneasiness about coming into the office, the Company lowered its percentage of in-office workers. The Company swiftly collected data to assess the situation and took countermeasures. This is not limited to pandemic responses, it is common to all matters. Around three years ago, in a hearing with Outside Directors, we brought up issues about the damage done by vertical organization that is divided by products and business fields, and the human resource problem that young employees had with protracted rotations. At that time too, data was quickly collected and, after meticulously analyzing problem scope and origin, the Company promptly considered and implemented corrections.

**Nakamori:** At traditional large corporations, decision-making and execution generally take a long time. I was surprised that when ITOCHU made subtle changes to its percentage of in-office staff, management's decision permeated to the very ends of the organization like water circulating to each leaf on the branches of a giant tree. I credit the Company's background of good, open communication. Another major factor is probably that the decisions are made in a fair and logical manner so that employees do not harbor doubts. I clearly feel there is an effort to increase employee motivation in all endeavors related to human resources, and this in turn leads to a positive feedback loop that encourages employees to give their best.

—Are there any issues in the human resource strategies and organizations?

**Muraki:** The business environment is undergoing significant changes, making it even more imperative to break down vertical organization that is divided by products and business fields, introduce new technologies, and promote young employees. The litmus test for deciding whether a company has a future or not is whether young workers and female workers thrive at the company. I have been saying this since I took on this role, but empowering female workers is especially important. I can understand the idea that people should be promoted based on their abilities regardless of gender, and systems are being upgraded under the leadership of the Human Resources & General Affairs Division, but because there are so few role models, the atmosphere makes it difficult for female workers to raise their hands. In actuality, there are unconscious barriers for male workers too. Because positions develop people, I think it is necessary to intentionally promote female employees with a certain amount of experience so female employees can also fully take on the responsibilities given to them.

**Nakamori:** I think the key point is how to increase support among male employees, including managers. However, given the strong individuality of each employee,



I feel that diversity is fundamentally being maintained. This could be because each employee attains a high level of expertise and autonomy in a specific sector, builds up a track record, and then observes the entire Company as management.

**Kawana:** From the outside, the Company might appear to be an old-fashioned Japanese company with a homogenous organizational structure. In terms of mindsets for business, however, the Company certainly has the kind of diversity that makes organizations resilient to change. It is said that some of the exceptionally skilled employees will go on to become a major force in the world, but the current annual focus on hiring new graduates all at once makes it difficult to acquire those kinds of employees. Currently, the policy is to develop human resources internally, but the Company will also need to bring in excellent human resources with innovative ideas, which will become more important moving forward.

**Nakamori:** Building systems to hire excellent human resources from outside could conversely disadvantage existing employees, so implementation is not simple. The 8th Company was established to test these kinds of new initiatives, and I am looking forward to their endeavors in various fields.

**Muraki:** In addition to the Chairman & CEO, the management appointments of CAO and CFO are getting longer. A major issue going forward will be how to develop the next management team to ensure future generations inherit excellent management of the same high caliber.

—Please tell us about your expectations for ITOCHU going forward.

**Muraki:** A chain reaction is needed to ensure Japan becomes a more active society moving forward. Chain reactions only occur when different things come into contact. General trading companies, which connect different things, can create that kind of reaction. When ITOCHU makes a move, there is a good chance that something interesting will happen that ultimately contributes to society. I would like the Company to demonstrate functions in line with this era and generate innovation. To this end, I want the Company to remain one where employees can work with satisfaction.

**Kawana:** It is important that employees feel they are useful to the world and experience personal growth by fulfilling their roles and creating profit. I would like the Company to avoid shifting its business practices or business fundamentals. In order to continue shining, ITOCHU must remain a company that welcomes, rather than avoids, change.

**Nakamori:** As Chairman & CEO Okafuji often says, "general trading companies are like water." They maintain their current presence because they change with the times. This flexibility means they retain their ability to be useful and contribute to society. Going forward, I expect the Company to accelerate SDG initiatives while strengthening its stance on meeting social needs through business. I also think that Outside Directors have a very important role to ensure ITOCHU, which has strong leadership in top management, continues developing sustainably. I would like to fulfill my responsibility and continue meeting the expectations of stakeholders, including shareholders.



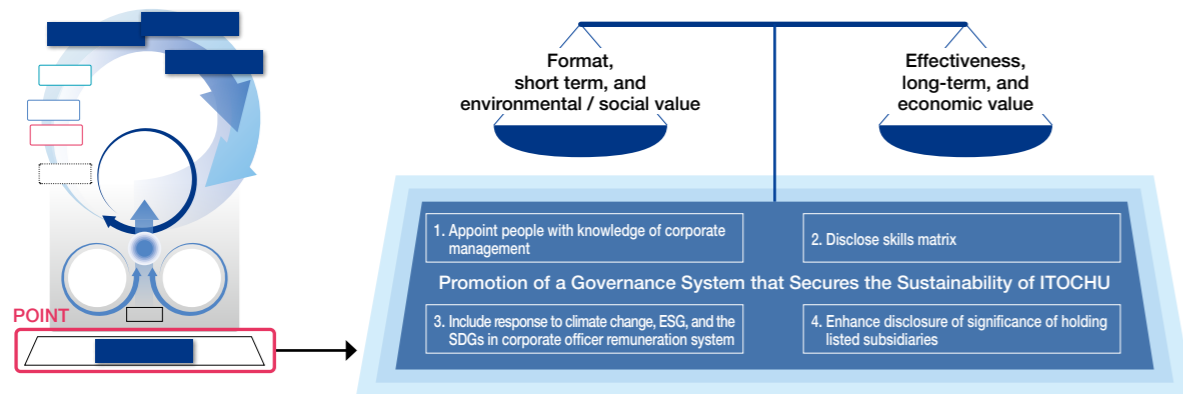
# Corporate Governance

## Further Enhancement of ITOCHU's Corporate Governance System

ITOCHU has carried out continuous reviews and reinforcement of the system and various initiatives, including the response to the introduction of the Corporate Governance Code in 2015, the transition to a Board of Directors with a monitoring-focused structure in 2017, and the improvement of the ratio of Outside Directors. As well as aiming to further enhance the effectiveness of the current corporate governance system, under which certain systems have been established, we also aim to further enhance and reinforce the governance system of not only the ITOCHU Corporation but of the entire Group. As a part of this, from June 2020 we have disclosed the significance of holding each of our six listed subsidiary companies, and have expanded the explanatory content to cover more substantive aspects from 2021.

In FYE 2022, to further enhance diversity in the Board of Directors and ensure the structure of the Board of Directors contributes to realizing business transformation by shifting to a market-oriented perspective, one of the basic policies of the new medium-term management plan, we appointed people with the knowledge of corporate management and revitalizing discussions by leveraging even more diversified and professional perspectives and opinions. Additionally, we have disclosed a skills matrix which shows the principle specialized area of experience for all corporate officers and areas in which they are expected to make a particular contribution. We have identified areas where inside and outside corporate officers have gained knowledge and experience and have a high level of insight. For Outside Directors and Audit & Supervisory Board Members, we have further identified the areas where the professional perspectives and high level of insight of each director and member can be utilized to the maximum extent.

Furthermore, to improve the linkage between management strategy and the corporate officer remuneration system, the evaluation of each director will be determined by including a response to climate change, ESG, and the SDGs from FYE 2021.



## Structure of Board of Directors

In accordance with the criteria for the appointment of directors, the Company always maintains an Outside Directors' ratio of at least one-third, and considers the appropriate structure of the Inside and Outside Directors as the occasion demands, taking into account the business environment and management strategy.

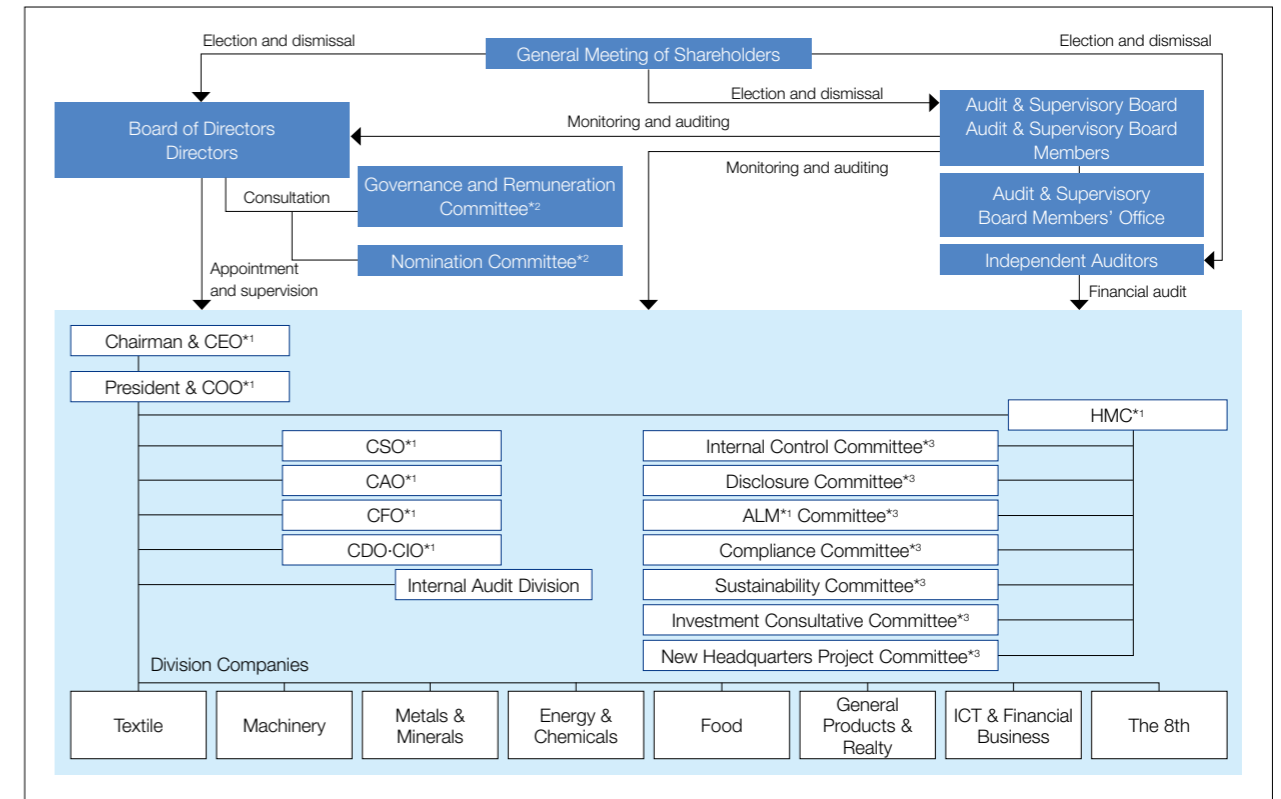
In FYE 2022, the ratio of Outside Directors decreased compared to the previous fiscal year, mainly due to the appointment of the Vice Chairman. However, we believe that the role and contribution of the Vice Chairman of the Board of Directors, who has experience as President & COO and operates at a fixed distance from the executive side, is significant and more meaningful for the management and governance of the Company. Furthermore, in FYE 2022 we continued to appoint two female Directors, maintaining a high level of female representation on the board.

Directors	Outside Directors	Ratio of Female Directors	Ratio of Outside Directors	Major Topics Discussed in FYE 2021
7 CEO, COO, CAO, CFO, P, Overseas, Vice Chairman (non-executive)	4 Male, Female	18% (2 Female Directors)	36% (4 Outside Directors)	<ol style="list-style-type: none"> <li>FYE 2021 Management Plan</li> <li>Privatization of FamilyMart</li> <li>Divest of Drummond thermal coal interests</li> <li>Personnel matters relating to Board Members (change in President &amp; COO, etc.)</li> <li>Reinforcement of contribution to and engagement with the SDGs</li> <li>Organizational reforms (abolition of branches, etc.)</li> </ol>

\* P: President, General Products & Realty Company  
Overseas: CEO for East Asia Bloc; CEO for Asia & Oceania Bloc; Executive Advisory Officer for CP & CITIC Operations

## Overview of Corporate Governance and Internal Control System

(As of July 1, 2021)



\*1 CEO = Chief Executive Officer COO = Chief Operating Officer CSO = Chief Strategy Officer CAO = Chief Administrative Officer  
CFO = Chief Financial Officer CDO-CIO = Chief Digital & Information Officer HMC = Headquarters Management Committee  
ALM = Asset Liability Management

\*2 Established advisory committees under the Board of Directors to enhance the transparency of the decision-making process and strengthen supervisory functions. The role of each advisory committee is as follows.

- Governance and Remuneration Committee: Deliberates and advises on proposals related to the remuneration system for Directors and Executive Officers and other matters on corporate governance.
- Nomination Committee: Deliberates and advises on proposals related to nomination and dismissal of Executive Officers, nomination of candidates for Directors and Audit & Supervisory Board Members, dismissal of Directors and Audit & Supervisory Board Members, and appointment and dismissal of responsible Directors and officers.

- \*3 Internal Control Committee (CAO): Deliberates on issues related to the development of internal control systems. Disclosure Committee (CFO): Deliberates on issues related to business activity disclosure and on issues related to the development and operation of internal control systems in the area of financial reporting. ALM Committee (CFO): Deliberates on issues related to risk management systems and balance sheet management. Compliance Committee (CAO): Deliberates on issues related to compliance. Sustainability Committee (CAO): Deliberates on issues related to sustainability, the SDGs, and ESG, excluding governance-related issues. Investment Consultative Committee (CFO): Deliberates on issues related to investment and financing. New Headquarters Project Committee (CAO): Deliberates on issues related to new headquarters project. The chairperson is stated in parentheses.

\*4 CAO is the chief officer of compliance. Also, each Division Company has a Division Company President.

\*5 Internal control systems and mechanisms have been implemented at every level of ITOCHU. Only the main internal control organization and committees are described herein.

### Enhance Corporate Value by Focusing on the Downstream

In my long experience as a merchant in the retail industry, I am conscious of the fact that further understanding of customer needs is directly connected to the expansion of businesses. I have always carried out my work with a focus on the downstream area, and my management team has always striven to put this into practice. As a merchant, I have empathized with how ITOCHU presents its businesses in simple terms and as the Guideline of Conduct, "I am One with Infinite Missions," to its employees. In ITOCHU's new medium-term management plan, we announced "Realizing business transformation by shifting to a market-oriented perspective" as one of the basic policies. We will make a major shift from our previous approach to promoting the creation of new growth opportunities and the evolution of the business model, starting from the downstream, namely, the final consumer. Going forward, I hope to use my experience to participate in ITOCHU's management from a higher perspective as an Outside Director in the public eye, and contribute to Groupwide earnings growth and enhancement of corporate value together with the merchants of the ITOCHU Group, including ITOCHU's management teams.



**Kunio Ishizuka**  
Outside Director

Mr. Ishizuka has extensive knowledge of corporate management and the retail industry that was earned through his experience as President and Chairman of Isetan Mitsukoshi Holdings Ltd. and as a Vice Chair of Nippon Keidanren (Japan Business Federation). He was appointed to the ITOCHU Board of Directors in June 2021 and is a member of the Governance and Remuneration Committee.

## Skills Matrix of Corporate Officers and Structure of Advisory Committees

ITOCHU'S corporate officers, regardless of whether they are inside or outside, bring their knowledge, experience, and high level of insight in their respective fields to management. To fully utilize the professional perspectives and high level of insight of each Outside Director and Audit & Supervisory Board Member, the areas in which they are expected to make a particular contribution are identified with ●, after consultation with each officer.

Note: For Inside Directors, the areas in which they have knowledge and experience are identified with ○, and for full-time Audit & Supervisory Board Members, Outside Directors, and Outside Audit & Supervisory Board Members, the areas in which they are expected to make a particular contribution are identified with ●, as stated previously.

Name	Title	Gender	Principle specialized area of experience / area in which officers are expected to make a particular contribution									Governance and Remuneration Committee	Nomination Committee	Main role, career history, qualifications, etc.
			All aspects of management	Global	Marketing / sales	SDGs & ESG	Health & medical care	Finance, accounting & risk management	Human resources & labor	Internal control & legal affairs / compliance				
Masahiro Okafuji	Chairman & CEO	Male	○	○	○	○	○		○	○	○	Member	Member	President, Textile Company President, ITOCHU Corporation
Yoshihisa Suzuki	Vice Chairman	Male	○	○	○	○	○		○	○	○			President & CEO, ITOCHU International Inc. President, ICT & Financial Business Company President & Chief Operating Officer, ITOCHU Corporation
Keita Ishii	President & COO	Male	○	○	○	○	○		○	○	○	Member	Member	President, Energy & Chemicals Company
Tomofumi Yoshida	Director	Male	○	○	○	○			○	○	○			President & CEO, ITOCHU International Inc. President, General Products & Realty Company
Yuji Fukuda	Director	Male	○	○	○	○			○	○	○			President, Energy & Chemicals Company CEO for East Asia Bloc, CEO for Asia & Oceania Bloc
Fumihiko Kobayashi	Director	Male	○	○		○	○		○	○	○	Observer	Member	General Manager of Human Resources & General Affairs Division Chief Administrative Officer, ITOCHU Corporation
Tsuyoshi Hachimura	Director	Male	○	○	○	○			○	○	○			General Manager of Finance Division Chief Financial Officer, ITOCHU Corporation
Atsuko Muraki	Outside Director	Female				●	●				●		Chair	Vice Minister of Health, Labour and Welfare
Masatoshi Kawana	Outside Director	Male	●			●	●					Chair	Member	Vice President of Tokyo Women's Medical University Hospital Doctor of Medicine
Makiko Nakamori	Outside Director	Female			●				●		●		Member	Certified Public Accountant
Kunio Ishizuka	Outside Director	Male	●		●					●		Member		President and CEO / Chairman, Isetan Mitsukoshi Holdings Ltd.
Shuzaburo Tsuchihashi	Full-time Audit & Supervisory Board Member	Male		●	●						●		Observer	President, ITOCHU Australia Ltd. Chief Operating Officer, Metal & Mineral Resources Division
Makoto Kyoda	Full-time Audit & Supervisory Board Member	Male				●			●		●	Member		Chief Financial Officer, Food Company
Shingo Majima	Outside Audit & Supervisory Board Member	Male		●					●		●	Member		Partner, KPMG LLP (U.S.) Certified Public Accountant in Japan and the U.S. (New York State)
Kentaro Uryu	Outside Audit & Supervisory Board Member	Male			●				●		●		Member	Managing Partner, URYU & ITOGA Attorney-At-Law
Masumi Kikuchi	Outside Audit & Supervisory Board Member	Male	●		●					●		Member		President and Representative Director, Sendai Terminal Building Co., Ltd.; President and Representative Director / Director and Chairman, Atre Co., Ltd.

## Information Provision and Support System for Outside Officers

To fully demonstrate the function of outside officers whose responsibility is to monitor and audit management, and to maximize contribution to the Company's management objectively, it is essential to reduce the information asymmetry between inside and outside officers as much as possible. We strive to implement various initiatives to deepen the outside officers' understanding of ITOCHU's diverse businesses as a general trading company and to revitalize the Board of Directors.

### Preliminary Briefings

We hold preliminary briefings for outside officers prior to the Board of Directors' meetings. In addition to explaining the important points and contents of each agenda item, for important agendas, we provide information to deepen understanding of the background and matters to be resolved of each agenda item, as well as the contents of discussion held in the internal management meeting. Furthermore, regarding the formulation of the management plan, ITOCHU conducts progress reports and opinion exchanges regarding the plan in order to reflect the diverse perspectives of outside officers in the numerous stages of the formulation process.

### Site Visits

ITOCHU creates opportunities for outside officers to make periodic visits to business sites at Group companies and investees inside and outside Japan, and hold exchanges and dialogues with each management team and employees. The reason for this is to deepen the understanding of the diverse characteristics of the vast range of ITOCHU's business activities, products, and services, as well as connect these to appropriate management decisions.



C.I. TAKIRON Corporation Hold discussions surrounding the strengths of wide-ranging products and the contents of medium- to long-term ESG management initiatives.



DESCENTE LTD. Hold dialogues with employees on the front lines through visits to stores that deal with customers and get explanations of the medium-term management plan.

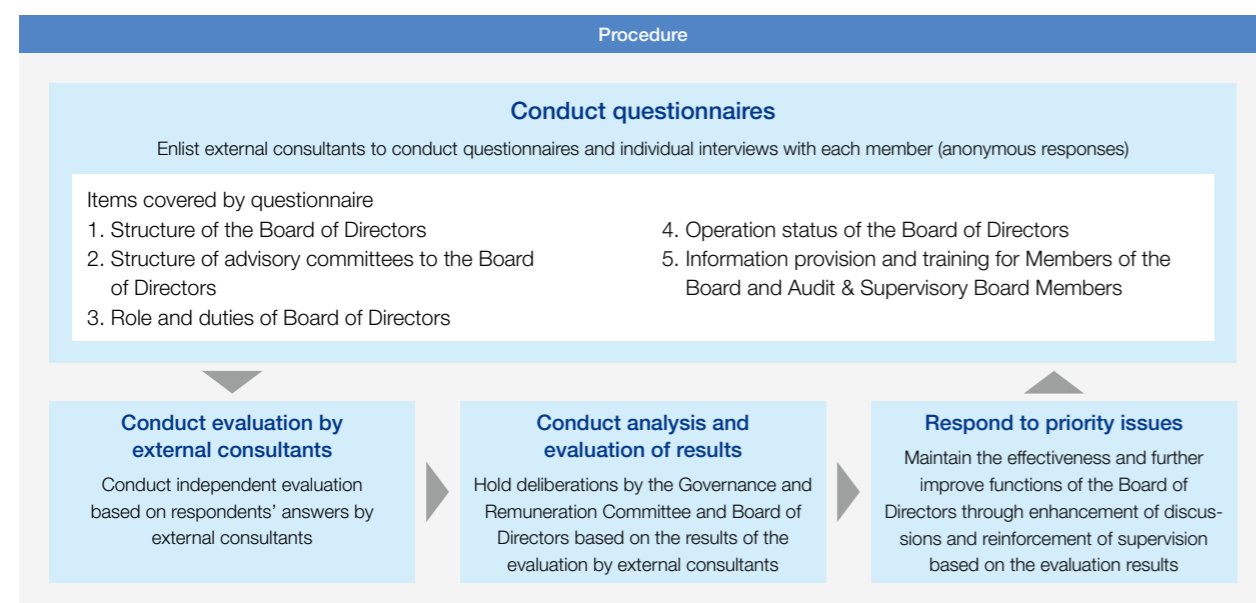
## Procedure for Evaluation of the Board of Directors and Evaluation by External Consultants

ITOCHU conducted evaluations on the effectiveness of the Board of Directors for all 10 Members of the Board and 5 Audit & Supervisory Board Members for FYE 2021.

The results of this evaluation confirmed that the Company's Board of Directors continues to ensure its effectiveness in terms of the structure of the Board of Directors and advisory committees to the Board of Directors, the roles and duties of the Board of Directors, the operation status of the Board of Directors, and the information provision and training for Members of the Board and Audit & Supervisory Board Members.

External consultants confirmed that, in FYE 2021, the Board of Directors fully discussed matters that are highly consistent with the Company's medium- to long-term management strategies and contributed to the implementation of such strategies, and that the Board of Directors is functioning effectively. Among other things, the evaluation concluded that the Board of Directors is adequately fulfilling its role in demonstrating its effectiveness, including increasing the participation of outside officers in the management appointment process and the commitment to the SDGs in the medium-term management plan.

Based on the results of this effectiveness evaluation, ITOCHU will actively work on enhancement of discussions and reinforcement of supervision to maintain the effectiveness of the Board of Directors and further improve its functions.



Status of Response to Prior Issues	
<b>1. Further improve diversity of the Board of Directors</b>	In FYE 2021, the Company decided to appoint people with the knowledge of corporate management as outside officers (appointed as of the date of the 2021 Ordinary General Meeting of Shareholders). As a result, the Company ensured a structure for the Board of Directors that is highly consistent with "Realizing business transformation by shifting to a market-oriented perspective," one of the basic policies of the medium-term management plan, as well as even more diversity.
<b>2. Enhance discussions based on a medium- to long-term perspective</b>	The Board of Directors discussed ITOCHU's initiatives and Groupwide policies for promoting sustainability. Lively discussions were held based on a medium- to long-term perspective, including the decision to make "Enhancing our contribution to and engagement with the SDGs through business activities," one of the basic policies of the medium-term management plan.
<b>3. Strengthen information provision for outside officers</b>	Each outside officer holds a one-to-one meeting with the management team, and each Division Company holds briefing sessions explaining how to realize the medium-term management plan. Through these initiatives, we strive to further strengthen communication and reduce information asymmetry between inside officers and outside officers.

**Key Issues to Be Addressed**

For the Board of Directors to further demonstrate its functions, it has been pointed out that the Board should enhance discussions that contribute to the further improvement of corporate value and strengthen supervision of business execution, not only in terms of format but also in terms of effectiveness. We will take advantage of various opportunities, including advisory committees and off-site discussions outside of the Board of Directors, to exchange opinions with outside officers, and engage in constructive discussions that contribute to the further enhancement of its effectiveness.

## Policy on the Governance of Listed Subsidiaries

ITOCHU respects the autonomy of listed subsidiaries and prohibits any acts that contradict the principle of shareholder equality, in accordance with ITOCHU's Policy on the Governance of Its Listed Subsidiaries, which was announced in October 2019. Each subsidiary and ITOCHU are in a mutually beneficial relationship to enhance corporate value as business partners. With the recognition that there is a potential conflict of interest between ITOCHU and the minority shareholders of these listed subsidiaries and in order to secure the independent decision-making of these subsidiaries, we request that they set up the effective governance structure under which the independent outside directors of these listed subsidiaries are well functioned. For each of the listed subsidiaries, they have established and maintained an effective governance system at the time of the ordinary general meeting of shareholders in 2021, including the improved ratio of outside directors and the establishment of an independent advisory committee to the board of directors. ITOCHU will continue to encourage listed subsidiaries to further improve their governance structure, taking into account the amendments to the Corporate Governance Code.

The significance of holding each listed subsidiary from perspectives including the Group's management strategy is as follows:

(As of July 1, 2021)

Company name	Significance of holding	Ratio of independent outside directors	Advisory committees for the board of directors	Ratio of independent outside audit & supervisory board members
	Utilizing its wide and diverse domestic customer base, ITOCHU ENEX CO., LTD. is developing new fuel sales, services to enhance logistics efficiency, and next-generation businesses, etc., in addition to existing energy business and power business. It is an important and indispensable presence for the Group in order to build a stable profit based both in Japan and overseas. In addition, ITOCHU ENEX CO., LTD., with utilizing the ITOCHU Group's extensive domestic and international network, promotes initiatives in the new energy field which contributes to achieve the SDGs, and carries out the fuel supply businesses for our Group companies.	<b>38%</b>  (3 out of 8 directors)	<ul style="list-style-type: none"> <li>• Governance Committee</li> </ul>	<b>50%</b>  (2 out of 4 members)
	C.I. TAKIRON Corporation is positioned as a core enterprise in the Group's plastic resin business, due to its advanced technological capabilities and large-scale production capacity. C.I. TAKIRON Corporation utilizes the ITOCHU Group's extensive domestic and international network for overseas expansion of C.I. TAKIRON Corporation's functional film business, stable procurement of competitive raw materials, and expansion of sales of C.I. TAKIRON Corporation's various products.	<b>50%</b>  (3 out of 6 directors)	<ul style="list-style-type: none"> <li>• Nomination / Remuneration Committee</li> <li>• Governance Committee*</li> </ul>	<b>50%</b>  (2 out of 4 members)
	The principal and main business of ITOCHU-SHOKUHIN Co., Ltd. is the sale and distribution of alcoholic beverages and processed foods. Based on its presence, ITOCHU secures stable contact points with various domestic retailers, and maximizes profit in the food distribution field by utilizing this sales channel. In addition, by utilizing the Group's diverse customer base and knowledge in implementing the growth strategy of ITOCHU-SHOKUHIN Co., Ltd., such as "Contribution to customers through creating sales floors which utilize DX," etc., ITOCHU is contributing to the expansion and evolution of the services provided by ITOCHU-SHOKUHIN Co., Ltd.	<b>33%</b>  (3 out of 9 directors)	<ul style="list-style-type: none"> <li>• Governance Committee</li> </ul>	<b>50%</b>  (2 out of 4 members)
	The principal and main business of Prima Meat Packers, Ltd. is to sell meat and processed livestock products, and it assumes an important role of supplying final products in ITOCHU's livestock value chain. Prima Meat Packers, Ltd. utilizes the Group's extensive domestic and international network to ensure a stable supply of high-quality imported raw materials for its core products and to jointly develop pork brands with overseas partners in the Group.	<b>40%</b>  (2 out of 5 directors)	<ul style="list-style-type: none"> <li>• Management Advisory Committee</li> </ul>	<b>50%</b>  (2 out of 4 members)
	ITOCHU Techno-Solutions Corporation serves a function as a sales channel for products and services using cutting-edge technology held by the ITOCHU Group's investees and business partners, and utilizes the Group's extensive network. In addition, ITOCHU Techno-Solutions Corporation is expanding its business through cooperation with ITOCHU, such as joint investments in promising new business areas and joint proposals.	<b>33%</b>  (2 out of 6 directors)	<ul style="list-style-type: none"> <li>• Nomination Committee</li> <li>• Remuneration Committee</li> <li>• Governance Committee</li> </ul>	<b>50%</b>  (2 out of 4 members)
	CONEXIO Corporation is expanding its business by utilizing the Group's extensive domestic and international network. It is expanding its mobile accessory sales business to overseas, as well as promoting more effective use of management resources, such as store assets and know-how in selling products and services to individual customers, in cooperation with companies in other industries in the Group.	<b>38%</b>  (3 out of 8 directors)	<ul style="list-style-type: none"> <li>• Nomination / Remuneration Committee</li> <li>• Governance Committee</li> </ul>	<b>50%</b>  (2 out of 4 members)

\* Established on August 1, 2021

## Corporate Officer Remuneration

ITOCHU's remuneration plan for Directors is designed to be an incentive to grow business performance. Variable remuneration ratio is extremely high, even when compared to other companies. The system clarifies management's responsibility, with Director remuneration increasing as performance improves, and significantly decreasing if performance deteriorates. Furthermore, this remuneration plan, including the calculation method, has been previously disclosed publicly, making it highly transparent. More specifically, the remuneration plan consists of fixed remuneration (1) monthly remuneration, and variable remuneration (2) performance-linked bonuses, (3) share price-linked bonuses, and (4) performance-linked stock remuneration, with performance-linked bonuses reflecting short-term performance and share price-linked bonuses and performance-linked stock remuneration reflecting the increase of corporate value in the medium to long term.

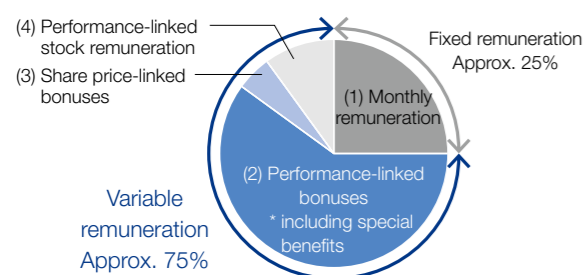
Monthly remuneration is decided based on the standard amount by position and the level of contribution to ITOCHU Corporation, including its response to climate change, ESG, and the SDGs.

The Company has adopted consolidated net profit as the linked indicator for the performance-linked bonus and performance-linked stock remuneration, as it is the source of capital for growth-oriented investment and returns to shareholders, and is of high interest on the stock market. In the unlikely event that consolidated net profit falls into a deficit, there is a strict system whereby no such bonus or remuneration is paid out. Furthermore, the share-price linked bonuses, which are indices linked to ITOCHU's share price, are calculated based on the increase in ITOCHU's stock price for each consecutive two fiscal years and relative evaluation between the growth rate of the average value of the ITOCHU's share price and the growth rate of the average value of the Tokyo Stock Price Index (TOPIX).

### Overview of Remuneration System and Maximum Remuneration Limit

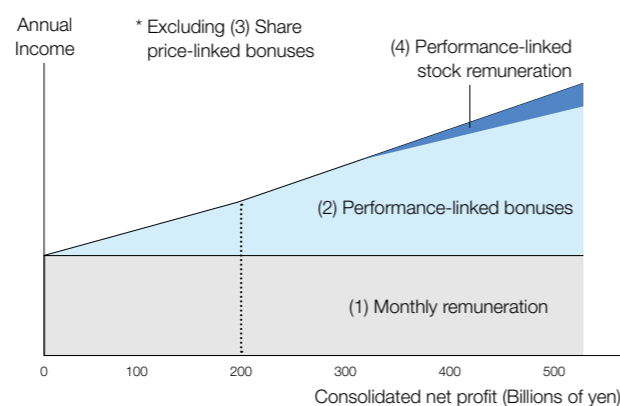
Fixed / Variable	Overview	Remuneration limit	Resolution at general meeting of shareholders
Fixed remuneration	<b>(1) Monthly remuneration</b> Determined based on the standard amount by position and the level of contribution to ITOCHU Corporation, including its response to climate change, ESG, and the SDGs.	¥0.8 billion per year as total amount (including ¥0.1 billion per year as a portion paid to Outside Directors)	June 21, 2019
Variable remuneration (Single year)	<b>(2) Performance-linked bonuses</b> Determined based on consolidated net profit, and each individual payment amount is determined in relation to the position points for the Director.	¥2.0 billion per year as total bonuses paid to all Directors * Not paid to Outside Directors	
Variable remuneration (Medium to long term)	<b>(3) Share price-linked bonuses</b> Calculated based on the increase in ITOCHU's stock price for two consecutive fiscal years and relative growth rate of ITOCHU's stock price compared to Tokyo Stock Price Index (TOPIX).	* Not paid to Outside Directors	June 24, 2016
	<b>(4) Performance-linked stock remuneration</b> Total payment amount is determined based on consolidated net profit, and each individual payment amount is determined in relation to the position points for the Director used in calculating the individual performance-linked bonuses.	The amounts below are limits for two fiscal years, for Directors and Executive Officers • Limit on contribution to trust by ITOCHU: ¥1.5 billion • Total number of points granted to eligible person: 1.3 million points (conversion at 1 point = 1 share) * Not paid to Outside Directors	

### Composition of Remuneration for Directors (Excluding Outside Directors) (FYE 2021)



\* In the event of a consolidated net loss, neither performance-linked bonuses nor performance-linked stock remuneration will be paid.

### Remuneration Image of Directors (Excluding Outside Directors)



### Calculation Formulas for (2) Performance-Linked Bonuses and (4) Performance-Linked Stock Remuneration

#### Total Amount Paid to All Directors

Total amount paid to all Directors = (A + B + C) x Sum of position points for all the eligible Directors ÷ 55

A = (Of consolidated net profit for FYE 2022, the portion up to ¥200.0 billion) x 0.35%

B = (Of consolidated net profit for FYE 2022, the portion exceeding ¥200.0 billion and up to ¥300.0 billion) x 0.525%

C = (Of consolidated net profit for FYE 2022, the portion exceeding ¥300.0 billion) x 0.525% (of which, 0.175% as stock remuneration)

The total amount paid shall be the sum of A, B, and C, which shall be adjusted with due regard to the increase / decrease in the number of eligible Directors, the change in position, and other factors. (Remuneration limits exist on bonuses and stock remuneration.)

#### Amount Paid to an Individual Director

Amount paid to an individual Director =

Total amount paid to all Directors x Position points ÷ Sum of position points for all the eligible Directors

accumulated points. Plans call for all of the stocks paid from the trust to be acquired on the stock market, and accordingly there will be no dilution of shares.

Amount paid to an individual Director is determined by dividing total amount paid to all Directors based on points assigned by position shown below;

Chairman	President	Executive Vice President (Resident in Japan)	Executive Vice President (Resident outside Japan)	Senior Managing Executive Officers	Managing Executive Officers
10	7.5	5	4	4	3

A Director that is a resident outside Japan is not eligible for performance-linked stock remuneration. As a substitute, such Director is eligible for the equivalent amount of individual stock remuneration. The equivalent amount of individual stock remuneration is calculated in accordance with the formula on the left (except the points assigned to such Director being 15) as if such Director were subject to performance-linked stock remuneration, and the amount will be added or subtracted according to a certain performance achievement rate. The remuneration will be determined and paid separately from the performance-linked bonus based on the formula on the left.

Of the amount paid to an individual Director, the portion corresponding to A and B is paid entirely in cash. In regard to the portion corresponding to C, 0.175% is paid as stock remuneration and the balance is paid in cash. Furthermore, 80% of the amount paid in cash is linked to the plan achievement rate of the consolidated net profit of the assigned division / department.\* In regard to stock remuneration during the term of office, annual points are awarded (1 point = 1 share), and after retirement stock remuneration is paid from the trust in correspondence with

\* Formula for 80% of the amount paid in cash to an individual Director: (Total base amount paid to all Directors x Position Point / Sum of Position points for all the eligible Directors) x 80% x Rate determined based on plan achievement rate of the consolidated net profit of the assigned division / department  
• Rate: 100% + (plan achievement rate of the consolidated net profit of the assigned division / department - 100%) x 2 (if negative, it will be 0%)  
• The plan achievement rate shall be 100% for the eligible Director for whom no plan achievement rate is measurable.

#### Calculation Formula for (3) Share Price-Linked Bonuses

Amount Paid to an Individual Director\*1 (FYE 2022 and FYE 2023)

= ((Simple average of daily closing price of ITOCHU stock in FYE 2023) - (Simple average of daily closing price of ITOCHU stock in FYE 2021)) x 1,300,000 x (Total position points\*2 of FYE 2022 and FYE 2023) / (108.8 points x 2 (years)) x Relative stock price growth rate\*3

\*1 Share price-linked bonus amounts are determined and paid after the Director retires (after the Executive Officer retires, in the case of taking on the position of Executive Officer after retirement of the Director). Furthermore, the amount payable to a Director retiring at the end of FYE 2022 will be calculated and determined in accordance with the above formula, based on the increase in ITOCHU's stock price and relative growth rate of the ITOCHU's stock price between FYE 2021 and FYE 2022.

\*2 The position points assigned to each Director are the same as those applied for calculating (2) performance-linked bonuses, excluding the 5 points assigned to an Executive Vice President who resides outside of Japan.

\*3 Relative stock price growth rate = (simple average of daily closing price of ITOCHU stock in FYE 2023 / simple average of daily closing price of ITOCHU stock in FYE 2021) / (simple average of daily TOPIX in FYE 2023 / simple average of TOPIX in FYE 2021)

### Details of the Remuneration Paid to Directors and Audit & Supervisory Board Members of the Company in FYE 2021

(Rounded to the nearest million yen)

Type	Number of people	Total amount of remuneration (Millions of yen)	Monthly remuneration	Details (Millions of yen)				
				Performance-linked bonuses	Share price-linked bonuses	Special benefits	Stock remuneration	
Directors	Inside	6	2,274	575	1,009	268	355	67
	Outside	4	76	76	—	—	—	—
	Total	10	2,350	651	1,009	268	355	67
Audit & Supervisory Board Members	Inside	3	92	92	—	—	—	—
	Outside	3	57	57	—	—	—	—
	Total	6	148	148	—	—	—	—

Following deliberation by the Governance and Remuneration Committee, at a meeting of the Board of Directors held on April 14, 2021, ITOCHU resolved to pay special benefits. These special benefits for FYE 2021 were paid within the limit of Director bonuses based on the minimization of earnings reductions caused by the COVID-19 pandemic, the achievement of the earnings goal in the "FYE 2021 Management Plan," the significant improvement of corporate value, and the Company claiming the top position in the general trading company industry for the first time in terms of annual average stock price and average market capitalization.

# Members of the Board, Audit & Supervisory Board Members, and Executive Officers

As of July 1, 2021



Under a new Board of Directors system, we will drive sustained growth in corporate value by combining sound leadership with transparent, fair decision-making.

## Members of the Board

1 Chairman & Chief Executive Officer

### Masahiro Okafuji

1974 Joined ITOCHU Corporation  
2018 Chairman & Chief Executive Officer  
**Number of shares held: 287,035** (115,340<sup>\*1</sup>)

2 Vice Chairman

### Yoshihisa Suzuki

1979 Joined ITOCHU Corporation  
2018 President & Chief Operating Officer  
2021 Vice Chairman  
**Number of shares held: 143,322** (69,838<sup>\*1</sup>)

3 President & Chief Operating Officer

### Keita Ishii

1983 Joined ITOCHU Corporation  
2021 President & Chief Operating Officer  
**Number of shares held: 100,694** (34,191<sup>\*1</sup>)

4 Member of the Board

### Tomofumi Yoshida

President, General Products & Realty Company

1979 Joined ITOCHU Corporation  
2019 Executive Vice President  
**Number of shares held: 103,226** (33,776<sup>\*1</sup>)

5 Member of the Board

### Yuji Fukuda

CEO for East Asia Bloc;  
CEO for Asia & Oceania Bloc;  
Executive Advisory Officer for CP & CITIC Operations

1979 Joined ITOCHU Corporation  
2019 Executive Vice President  
**Number of shares held: 44,200**

6 Member of the Board

### Fumihiko Kobayashi

Chief Administrative Officer

1980 Joined ITOCHU Corporation  
2021 Executive Vice President  
**Number of shares held: 128,591** (44,711<sup>\*1</sup>)

7 Member of the Board

### Tsuyoshi Hachimura

Chief Financial Officer

1991 Joined ITOCHU Corporation  
2021 Executive Vice President  
**Number of shares held: 124,178** (41,978<sup>\*1</sup>)

8 Member of the Board \*2

### Atsuko Muraki

2016 Outside Director, ITOCHU Corporation  
**Number of shares held: 2,700**

9 Member of the Board \*2

### Masatoshi Kawana

2018 Outside Director, ITOCHU Corporation  
**Number of shares held: 10,300**

10 Member of the Board \*2

### Makiko Nakamori

2019 Outside Director, ITOCHU Corporation  
**Number of shares held: 10,500**

11 Member of the Board \*2

### Kunio Ishizuka

2021 Outside Director, ITOCHU Corporation  
**Number of shares held: 1,000**

2	1	3
4		5
6	7	8
9	10	11

\*Number of shares held\* indicates the number of ITOCHU shares.

\*1 Figures indicate the number of shares scheduled to be granted post-retirement based on the stock remuneration plan (figures corresponding to points for rights determined under the performance-linked stock remuneration plan (trust type)). The number of shares held includes these shares.

\*2 Indicates an Outside Director as provided in Article 2, Item 15 of the Companies Act.

## Audit & Supervisory Board Members



Audit & Supervisory Board Member

### Shuzaburo Tsuchihashi

1985 Joined ITOCHU Corporation  
2018 Audit & Supervisory Board Member

Number of shares held: 14,150



Audit & Supervisory Board Member

### Makoto Kyoda

1987 Joined ITOCHU Corporation  
2020 Audit & Supervisory Board Member

Number of shares held: 24,810



Audit & Supervisory Board Member\*2

### Shingo Majima

2013 Audit & Supervisory Board Member, ITOCHU Corporation

Number of shares held: 0



Audit & Supervisory Board Member\*2

### Kentaro Uryu

2015 Audit & Supervisory Board Member, ITOCHU Corporation

Number of shares held: 7,200



Audit & Supervisory Board Member\*2

### Masumi Kikuchi

2021 Audit & Supervisory Board Member, ITOCHU Corporation

Number of shares held: 1,000

## Executive Officers

### Chairman & Chief Executive Officer

#### Masahiro Okafuji

### President & Chief Operating Officer

#### Keita Ishii

### Executive Vice Presidents

#### Tomofumi Yoshida

President, General Products & Realty Company

#### Yuji Fukuda

CEO for East Asia Bloc;  
CEO for Asia & Oceania Bloc;  
Executive Advisory Officer for CP & CITIC Operations

#### Fumihiko Kobayashi

Chief Administrative Officer

#### Tsuyoshi Hachimura

Chief Financial Officer

### Managing Executive Officers

#### Hiroyuki Tsubai

President, Machinery Company  
Number of shares held: 51,039 (15,505\*\*)

#### Masahiro Morofuji

President, Textile Company;  
Executive Advisory Officer for Osaka Headquarters  
Number of shares held: 77,252 (32,670\*\*)

#### Mitsuru Chino\*3

President & CEO, ITOCHU International Inc.  
Number of shares held: 26,204

#### Hiroyuki Kaizuka

President, Food Company  
Number of shares held: 65,663 (28,466\*\*)

#### Tomoyuki Takada

General Manager, Corporate Communications Division  
Number of shares held: 62,455 (17,455\*\*)

#### Tatsushi Shingu

President, ICT & Financial Business Company  
Number of shares held: 59,927 (23,527\*\*)

#### Toshikazu Otani

Chief Executive for Africa  
Number of shares held: 30,949

### Executive Officers

#### Hisato Okubo

Executive Vice President, Energy & Chemicals Company;  
Chief Operating Officer, Energy Division  
Number of shares held: 45,155 (15,505\*\*)

#### Hidefumi Mizutani

Vice President, ITOCHU East Asia Bloc (East China);  
Managing Director, ITOCHU SHANGHAI LTD.  
Number of shares held: 23,720

#### Shinjiro Tanaka

CEO, European Tyre Enterprise Limited  
Number of shares held: 7,249

#### Takanori Morita

Chief Executive for Europe & CIS Bloc; CEO, ITOCHU Europe PLC  
Number of shares held: 31,155

#### Masaya Tanaka

President, Energy & Chemicals Company;  
Chief Operating Officer, Power & Environmental Solution Division  
Number of shares held: 37,166 (9,866\*\*)

#### Kenji Seto

President, Metals & Minerals Company  
Number of shares held: 49,535 (17,385\*\*)

#### Yoshiko Matoba

General Manager, Human Resources & General Affairs Division  
Number of shares held: 45,806 (1,061\*\*)

#### Hiroyuki Naka

Chief Digital & Information Officer;  
General Manager, Corporate Planning & Administration Division  
Number of shares held: 16,658 (1,529\*\*)

#### Shuichi Kato

President, The 8th Company  
Number of shares held: 24,327 (2,172\*\*)

#### Masatoshi Maki

Chief Operating Officer, Construction & Real Estate Division  
Number of shares held: 22,284 (1,061\*\*)

#### Tatsuo Odani

President, Leilian Co., LTD.  
Number of shares held: 23,265 (355\*\*)

#### Masazumi Nishikage

Director, SEVP & COO, Dole Asia Holdings Pte. Ltd.  
Number of shares held: 10,331

#### Tadayoshi Yamaguchi

SVP & CAO, ITOCHU International Inc.; General Manager, Corporate Planning Division, ITOCHU International Inc.; General Manager, Corporate Development Division, ITOCHU International Inc.; President & CEO, ITOCHU Canada Ltd.  
Number of shares held: 5,912

#### Satoshi Watanabe

General Manager, Finance Division  
Number of shares held: 19,975

#### Hideto Takeuchi

Chief Operating Officer, Brand Marketing Division 2  
Number of shares held: 20,761

#### Kenichi Tai

Chief Operating Officer, Fresh Food Division  
Number of shares held: 20,133

#### Hiroshi Kajiwara

Chief Operating Officer, ICT Division  
Number of shares held: 20,103

#### Akira Saito

General Manager, Legal Division  
Number of shares held: 20,099

"Number of shares held" indicates the number of ITOCHU shares.

\*1 Figures indicate the number of shares scheduled to be granted post-retirement based on the stock remuneration plan (figures corresponding to points for rights determined under the performance-linked stock remuneration plan (trust type)). The number of shares held includes these shares.

\*2 Indicates an Outside Audit & Supervisory Board Member as provided in Article 2, Item 16 of the Companies Act.

\*3 Ms. Mitsuru Chino's registered name is Mitsuru Ike.

For executives' career histories, please see the website:

<https://www.itochu.co.jp/en/about/officer/>