

April 14, 2021  
ITOCHU Corporation

Overview of Results of the Evaluation as to the Effectiveness of the Board of Directors of  
ITOCHU Corporation

ITOCHU Corporation (“ITOCHU”) hereby announces that it conducted the evaluation as to the effectiveness of the Board of Directors targeting the Members of the Board and Audit & Supervisory Board Members in FY2021, and accordingly, reports the overview of the results of the evaluation as follows.

[Procedure for the Board Evaluation]

Respondents	All of ten (10) Members of the Board and five (5) Audit & Supervisory Board Members in FY2021
Implementation and Evaluation method	a. Conducted a questionnaire to and individual interview with each of respondents by the external consultant (Answered on anonymous basis) b. Implemented a third-party evaluation by the external consultant based on the answers from the respondents c. In reference to the third-party evaluation, conducted an examination at the Governance and Remuneration Committee d. Implemented an analysis and evaluation at the Board of Directors .
Question details	Centered on items related to the following five sections: 1) Structure of the Board of Directors 2) Structure of advisory committees to the Board of Directors 3) Roles and duties of the Board of Directors 4) Operation status of the Board of Directors 5) Information provision and training for Members of the Board and Audit & Supervisory Board Members

[Overview of the results of the evaluation]

As a result of deliberations at the Governance and Remuneration Committee and the Board of Directors based on the analysis on questionnaires and interviews in the effectiveness evaluation, it was confirmed that the effectiveness of the Board of Directors of ITOCHU is continuously secured.

According to an external consultant, it is confirmed that in FY2021, the Board of Directors had sufficient discussions on matters that are highly consistent with ITOCHU's medium- to long-term management strategies and that contribute to the implementation of such strategies, and that the Board of Directors was functioning effectively. In particular, as the indication of the effectiveness of the Board of Directors, it is evaluated that the Board of Directors played an appropriate role, including strengthening the involvement of Outside Directors in the management successor selection process and announcing the commitment to SDGs in the next medium-term management plan.

As for the issues identified in the previous assessment, steady improvement and progress were confirmed as follows;

(1) Further diversity in the Board of Directors

A candidate with a wide range of management experience was selected as an Outside Director (as of the date of the General Shareholder’s meeting in 2021). As a result, ITOCHU has secured a board structure that is highly consistent with “realizing business transformation by shifting to a

market-oriented perspective” which is one of the basic policies of the next medium-term management plan, and has secured even greater diversity.

(2) The further enhancement of medium- to long-term discussions in the Board of Directors

The Board of Directors actively discussed ITOCHU group's initiatives and overall policies to promote sustainability from medium- to long-term perspectives. For example, the Board of Directors determined “Enhancing our contribution to and engagement with the SDGs through business activities” as one of the basic policies of the next medium-term management plan.

(3) The strengthening of provision of information to Outside Directors and Outside Audit & Supervisory Board Members

In order to further strengthen communication between Inside and Outside Officers and eliminate the information gap, we hold individual meetings between all outside officers and the management, as well as business briefings of each Division Company to realize the next medium-term management plan.

On the other hand, as issues that need to be addressed in the future, it is indicated that the enhancement of discussions that contribute to further enhancement of corporate value and the strengthening of supervision over management execution should be promoted, not formality but in substance, in order for the Board of Directors to further exercise its functions.

ITOCHU will use various opportunities, such as voluntary 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 further improvement of effectiveness.

Based on the results of the effectiveness evaluation, ITOCHU will make active efforts to expand discussions and strengthen supervision in order to maintain the effectiveness of the Board of Directors and further improve its functions.

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