

April 19, 2022  
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 FY2022, and accordingly, reports the overview of the results of the evaluation as follows.

[Procedure for the Board Evaluation]

Respondents	All of eleven (11) Members of the Board and five (5) Audit & Supervisory Board Members in FY2022
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 an information compilation and analysis by the external consultant based on the answers from the respondents c. In reference to the information compilation and analysis, 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 six 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 6) Others

[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 evaluation as to the effectiveness, it was confirmed that the effectiveness of the Board of Directors of ITOCHU is continuously secured.

In addition to the result that scores for almost all of the questionnaires became improved, we identified, as the effectiveness of the Board of Directors, (i) improvement of the profitability and corporate value under the dramatically changing circumstances, (ii) through the establishment of Women’s Advancement Committee, discussion of the measures for the diversity of human capital, (iii) vitalization of the discussion through the election of two Outside Directors and Audit & Supervisory Board Members, who had wide range of management experiences, and (iv) strengthening of the discussion to implement ITOCHU’s medium- to long-term management strategies, etc.

In the previous assessment, we have identified, as issues that need to be addressed in the future, 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. As to these issues, the improvement and progress were confirmed as follows

- (1) the enhancement of discussions that contribute to further enhancement of corporate value

By setting “realizing business transformation by shifting to a market-oriented perspective” and the contribution to SDGs as the basic policy, there have been discussions of each individual project through balancing the achievement of the short-term target and the basic policy above, we have achieved an improvement of the profitability and the corporate value.

(2) the strengthening of supervision over management execution

At the Board of Directors where two Outside Directors and Audit & Supervisory Board Members with a wide range of management experience were selected and the effectiveness was improved, there have been discussions of the reports from the internal committees that were functioning properly, which made the function of the supervision effective. And strengthening the group management function was recognized as the challenge of the company.

On the other hand, as issues that need to be addressed in the future, we have identified that the continuing discussions for strengthening the business foundation and securing the diversity are those that the Board of Directors should exercise functions more than before.

We will use various opportunities, such as voluntary advisory committees and off-site discussions outside of the Board of Directors, to exchange opinions and engage in constructive discussions that contribute to further improvement of effectiveness, and will make active efforts to maintain the effectiveness of the Board of Directors and further improve its functions.

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