

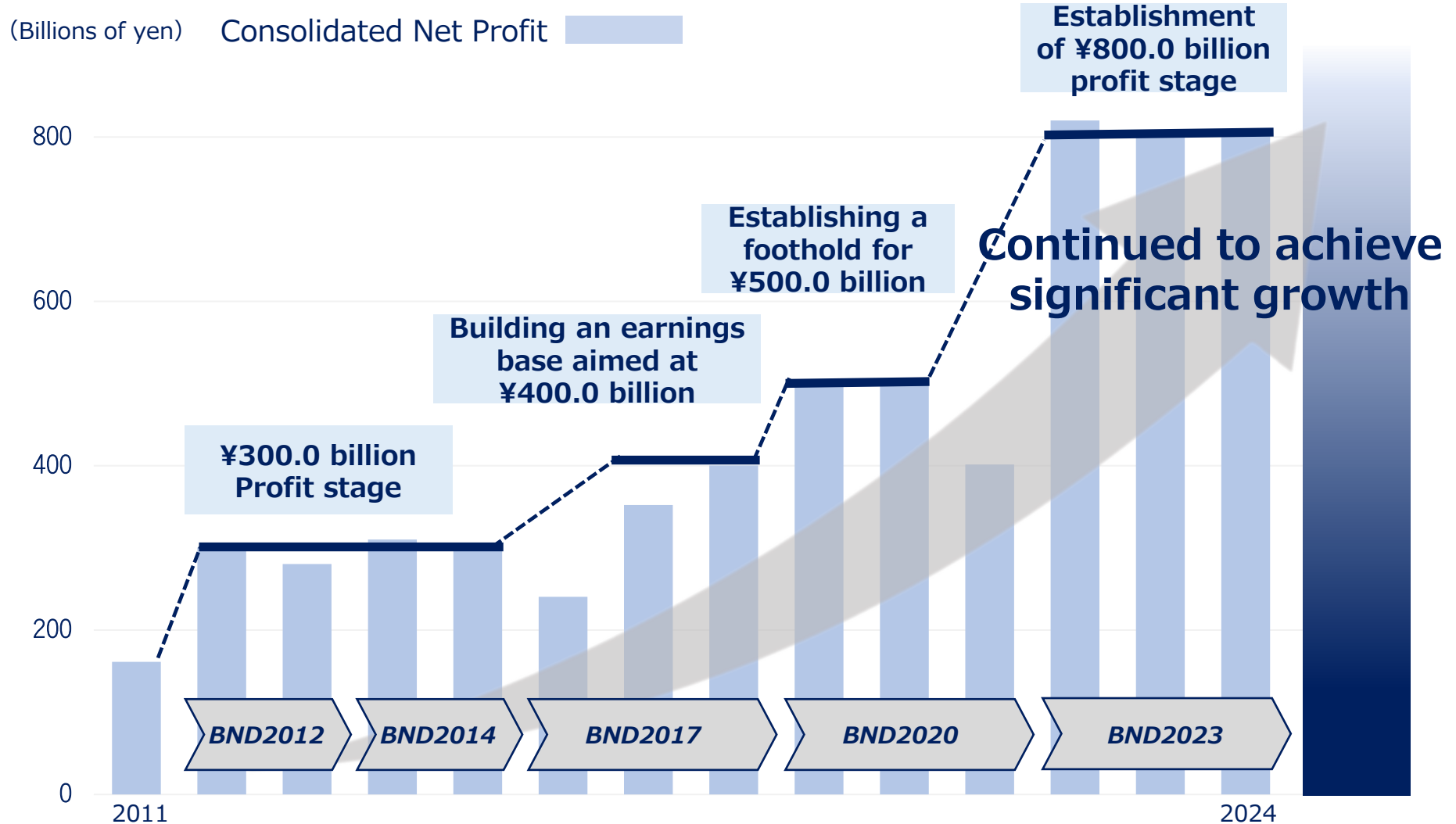
/// The Brand-new Deal **Appendix**

**The Past Medium-Term Management Plan
(*Brand-new Deal*)
General Review | FYE 2012 - 2024**

The Growth Trajectories



Overcoming environmental changes and steadily achieving growth, thereby raising the profit stage step by step.



Steady Growth in Financial Performance



Accumulating achievements under the “Brand-new Deal” management plans, building high earnings power and a solid financial base.



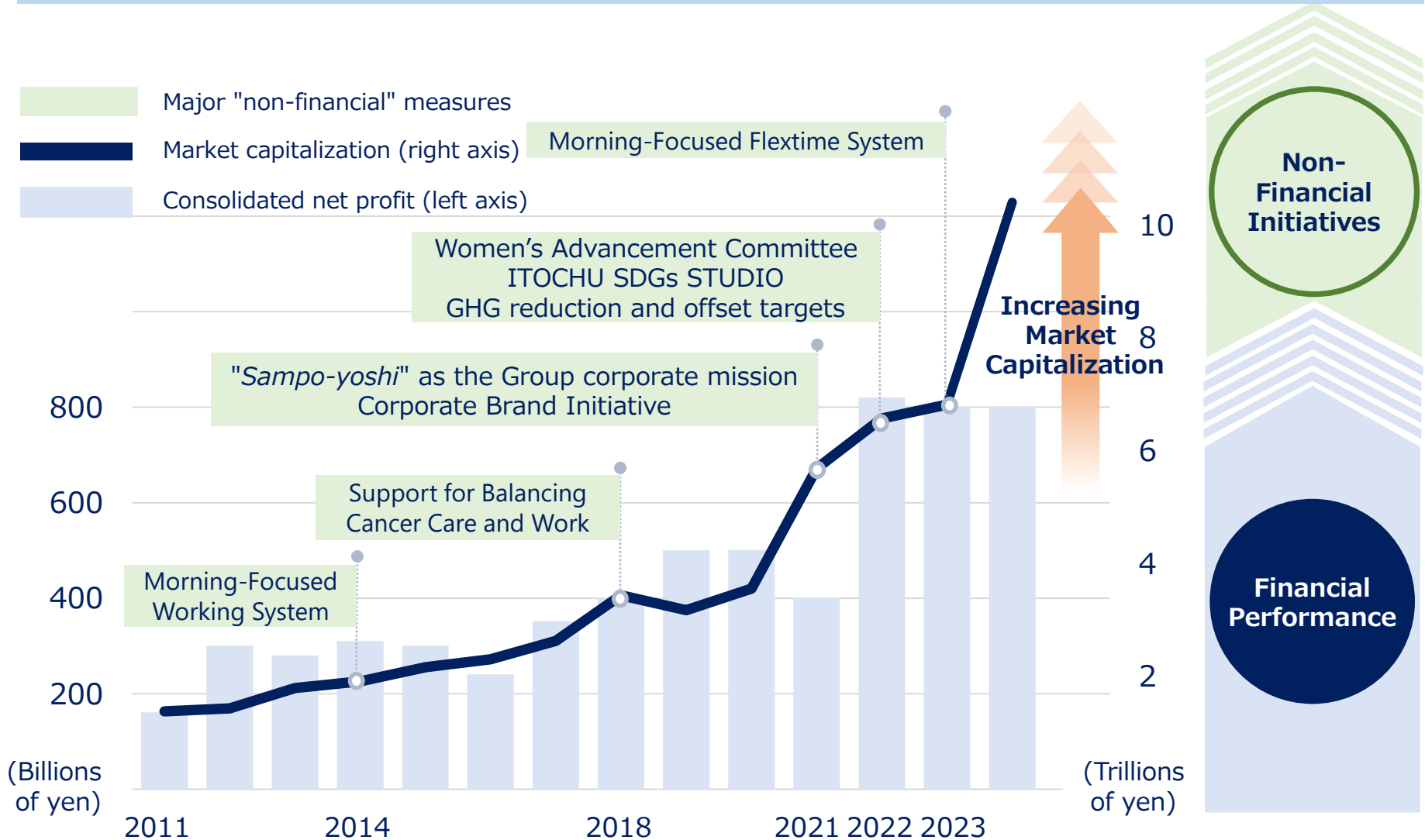
Major Accomplishment			
<1> Steady profit growth	Compound annual growth rate of consolidated net profit (FYE2011-2024)		13%
<2> Continuous high-efficiency management	ROE (Average of FYE 2011-2024)		16%
<3> Commitment-based management	Accomplishment of initial plan since FYE 2011		13 wins 1 loss
<4> Establishment of business portfolio with economic downturn resilience	Non-resource	FYE 2011 42%	FYE 2024 75%
<5> Improving profitability of Group companies	Ratio of Group companies reporting profits	FYE 2011 78%	FYE 2024 92%
<6> Maintaining financial discipline	All major credit rating agencies		Highest among the trading companies
<7> Establishment of strong financial foundation	Shareholders' equity	FYE 2011 ¥ 1 trillion	FYE 2024 ¥ 5 trillion
<8> Enhancing shareholder returns	Dividend per share	FYE 2011 ¥18	FYE 2024 ¥160

Enhance qualitative aspects by accumulating initiatives that are unique to our Company and achieved positive external evaluations.

	Major Initiatives	Major External Evaluations
	2014 2016 2018 2020 2022 2024	
Human capital	Morning-Focused Flextime System introduced (2023-)	All the major company ranking among jobseekers No.1 in trading companies
	Women's Advancement Committee established (2022-)	
	Support for Balancing Cancer Care and Work introduced (2018-)	
	Morning-Focused Working System introduced (2014-)	
Dialogue with stakeholders	ITOCHU SDGs STUDIO established (2022-)	"Outstanding Integrated Report" *1 Selected for 7 consecutive Years *1 Selected by GPIF's domestic equity managers
	Corporate Brand Initiative launched (2021-)	
	Basic IR Policy (2016-)	
SDGs-related initiatives	Rolling out strengthening SDGs-related measures in the medium-term management plans (2022-)	GPIF ESG investment amount and major ESG indices *2 No.1 in trading companies *2 MSCI, FTSE, etc.
	Established " <i>Sampo-yoshi</i> " as the Group corporate mission (2021-)	
	Identified the material issues related with sustainability (2019-)	



Achieve expansion of market capitalization through steady financial growth as well as innovative non-financial initiatives.



“Market-oriented perspective” and rigorous implementation of the “Earn, Cut, Prevent” principles, supporting our sustainable growth.

Market-oriented perspective

Creating business by understanding diversifying needs and adapting to the changes

From a downstream

Creating business starting from a downstream

- Providing high-value added products, services, and features, being market-conscious

Initiatives

Enhancement of functions in the value chain
Expansion of peripheral business areas

- Expanding functionality by leveraging existing strengths and establishing a position in the value chain

Good foresight

Expansion into areas where strengths can be leveraged

- Identifying areas of expertise, growth and broad-based areas, and making investments

Earn, Cut, Prevent

Remain keenly aware of our business fundamentals and thoroughly implementing business methodologies

Hands-on

Strengthening of front-line capabilities
Carefully refine each business

- Dispatching highly trained talent to the investee, refine operations, and expand profit

Lean management

Secure a firm foundation to be prepared for changes and risks

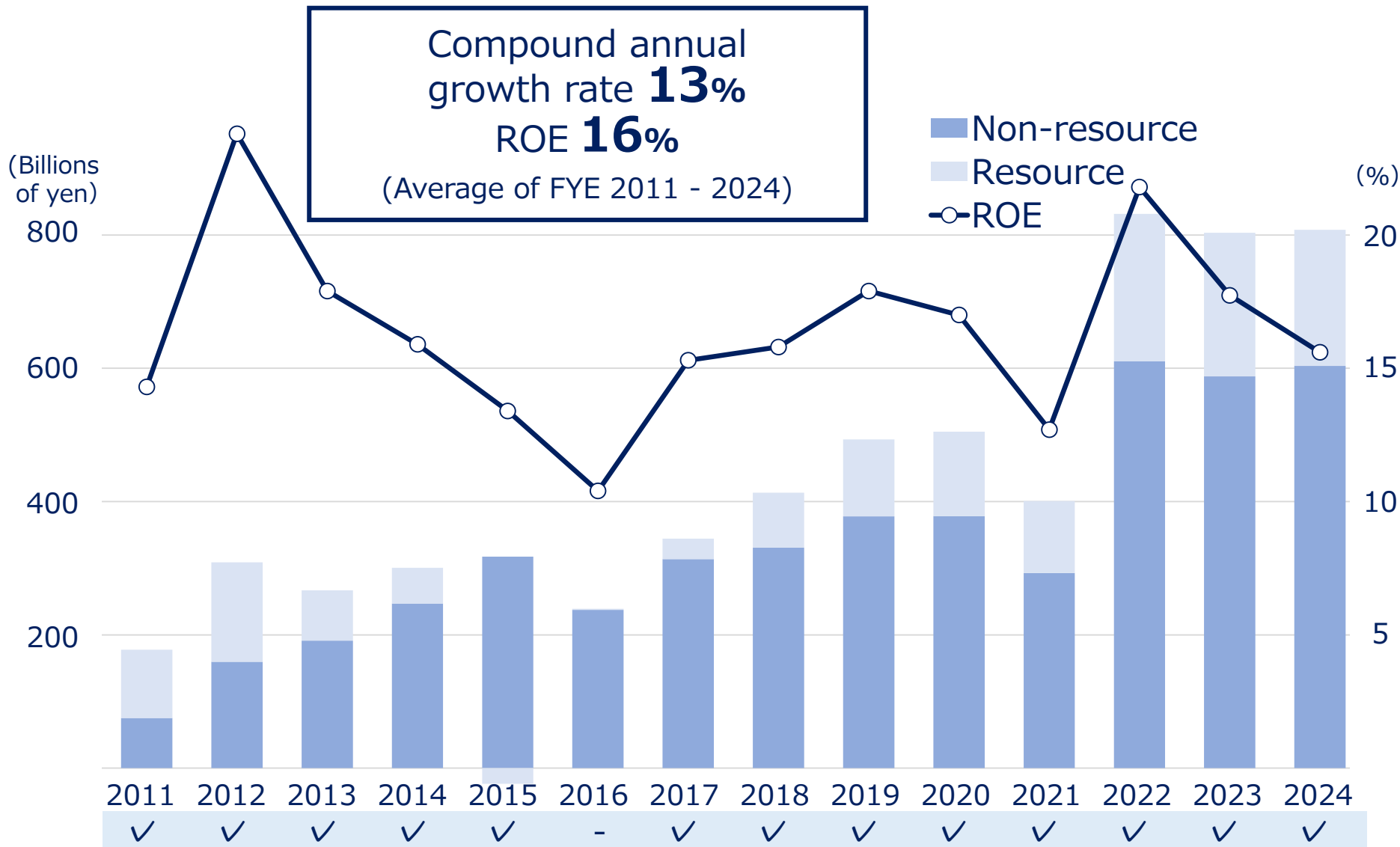
- Without growing overconfident even with the good results, thoroughly conducting the management with always anticipating the worst-case scenario

The Four Lessons for Investments

Strive management to never repeat the mistakes

- 1. Overpaying for investments
- 2. Investments aimed at seizing profit from investees
- 3. Overdependence on the partners
- 4. Field with limited insight

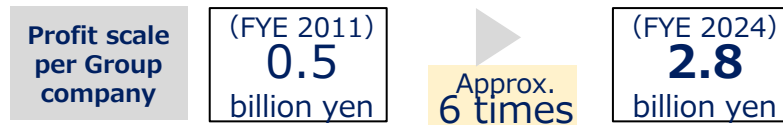
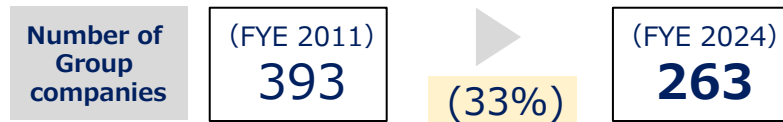
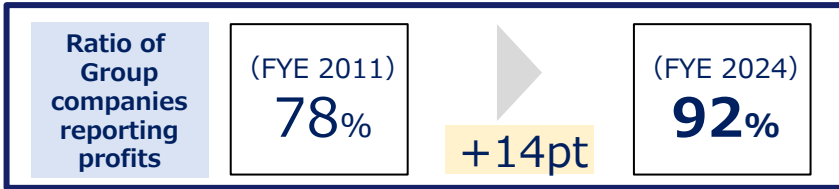
General Review **[Appendix] Brand-new Deal Results - Profit Growth - ITOCHU**



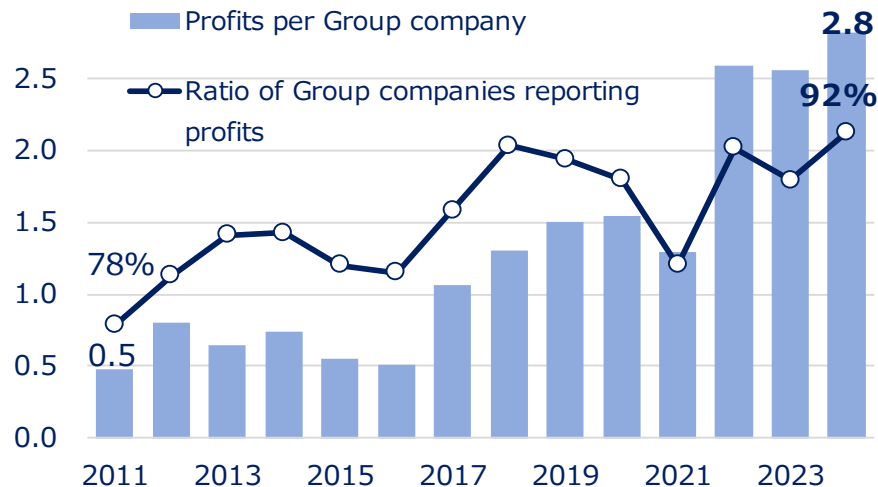
“✓” Accomplished the initial plan “-” Not achieved the initial plan

Earnings power of Group companies

- Through rigorous management improvement across all Group companies, **achieved a high ratio of Group companies reporting profits** and expanded the profit scale per company by approximately six times



(Billions of yen)



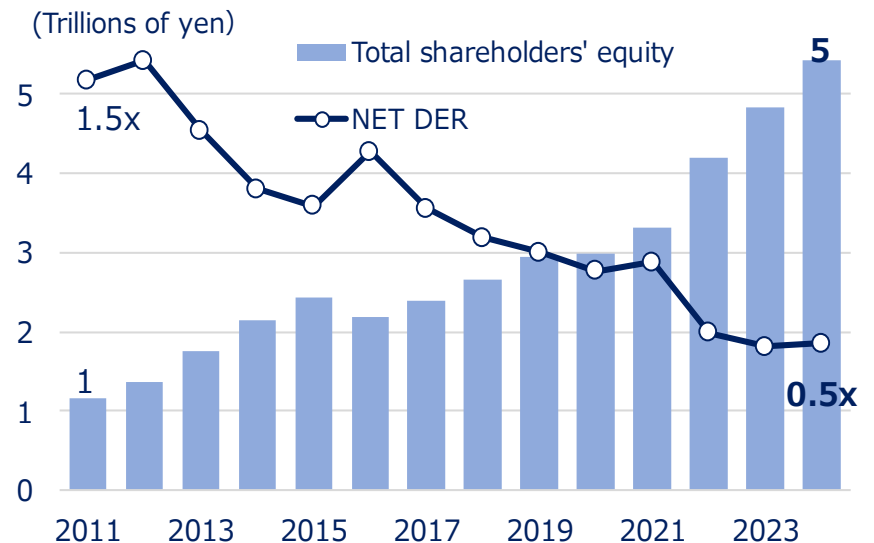
High credit rating achieved through financial discipline

- The **highest rating among general trading companies** from major credit rating agencies

Moody's	S&P	R&I	JCR
A2	A	AA	AA+

- Steady improvement of NET DER and B/S control appropriate for A ratings

Built strong financial foundation



**[Appendix] No Growth without Investments
(Example of Business Area Expansion 1)**



ITOCHU Techno-Solutions Corporation (CTC)



From a downstream

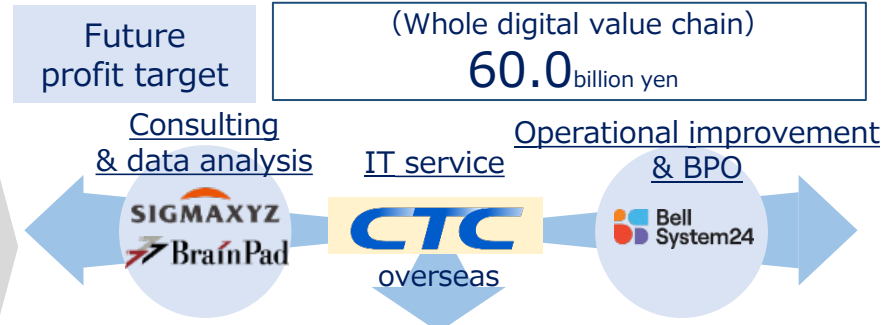
- Focusing on a field with sustained high demand from the market and offering product sales and system development functions to a wide range of industries ahead of other trading companies.

Initiatives

- Promoting capital and business alliances with companies that specialize in consulting, data analysis, and other areas to address the digitalization needs of clients. Expanding the business area while building a digital value chain to maintain and enhance competitiveness.

Good foresight

- The utilization of IT in the clients will continue to be a growing area of expansion. Strengthening the business foundation by privatizing our core business, CTC, and accelerating the growth strategy.



- In addition to further strengthening high value-added functions such as consulting and data analysis, reinforcing the business foundation by promoting to expand the engineer resources to address the shortage.
- Enhancing collaboration with BELLSYSTEM24, Inc., which is responsible for operational improvements, and accelerating overseas expansion to regions such as North America, aiming to expand the overall profit of our group of digital businesses.

FamilyMart (FM)



From a downstream

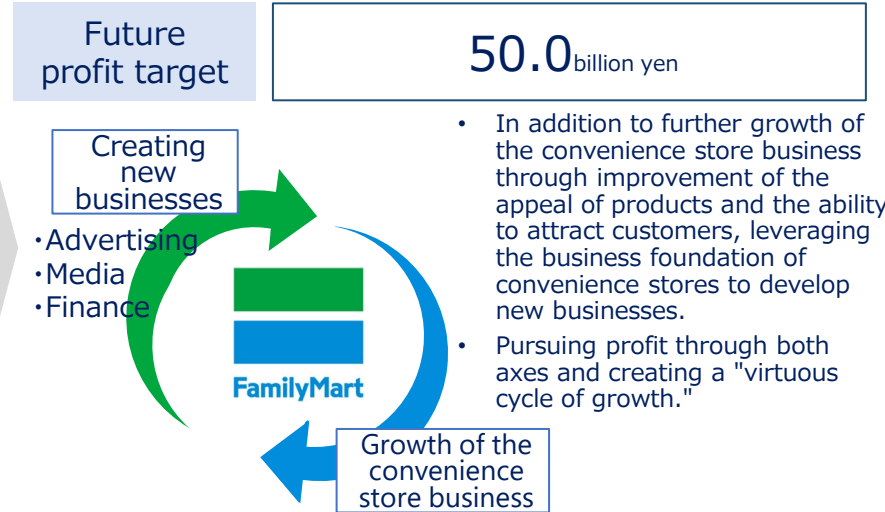
- Enhancing the development of products and services that capture customer needs. Continuously evolving without being bound by existing concepts, adapting to the times and the environment.
- Leveraging digital technology to enhance efficiency of the store operations. Addressing the shortage of workers faced by franchisees and maximizing store profit.

Initiatives

- Expanding business extensively in the FamilyMart supply chain, including product supply and logistics.

Good foresight

- Combining digital technology with the established store and customer base, pioneering the retail media and advertising business as a new frontier ahead of other companies.



- In addition to further growth of the convenience store business through improvement of the appeal of products and the ability to attract customers, leveraging the business foundation of convenience stores to develop new businesses.
- Pursuing profit through both axes and creating a "virtuous cycle of growth."

**[Appendix] No Growth without Investments
(Example of Business Area Expansion 2)**



North American construction materials business



From a downstream

- Expanding business area through acquisitions in areas such as wooden fences and housing structural materials business, capturing the needs arising from sustainable market expansion due to population growth.

Initiatives

- Developing a strong presence in the industry through the acquisition of chain link fence companies, which operates in the same industry. Building value chains and creating synergies through acquisitions in pipe manufacturing, with chain link fences as the core.

Good foresight

- Selling off existing businesses catching the signs of a slowdown in growth and focusing management resources on the fence business. Executing a strategy of acquiring competitors using cash from the sale.



North American electric-power-related business



From a downstream

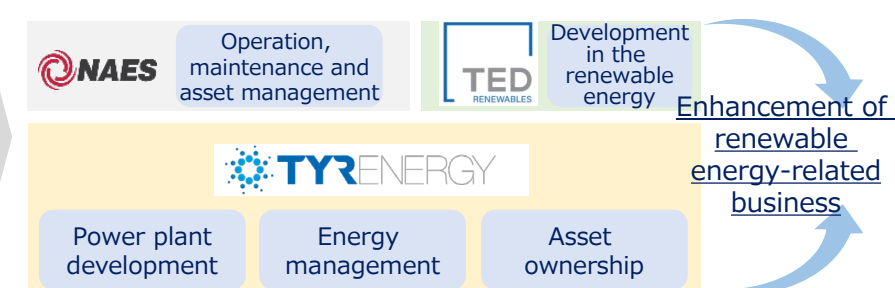
- Steadily strengthening the functions and services required by the market, such as development, power generation, operation and maintenance, and energy management, and expanding our business foundation.

Initiatives

- By expanding the necessary functions and services, established a renewable energy fund to lead project development, investment, operation, and other activities, thereby strengthening our renewable energy-related business.

Good foresight

- Quickly shifting towards renewable energy sources such as solar and wind power by utilizing the expertise gained from fired power generation. Expanded solar power development to a scale of approximately 4 GW.



- Expanding our business area through enhancing peripheral functions and services utilizing our development capabilities, with a perspective of the growing demand for decarbonization and renewable energy in North America as an opportunity.

**[Appendix] No Growth without Investments
(Steady Contribution to the Profit)**



Returns from major investments in non-resource sector, which are our strengths, have gradually increased and contribute to our growth.

(Billions of yen)

Business investment projects
in non-resource sector of over 5 billion yen

Contribution to the profit (3 years total, core profit basis)

Period Major investment projects

Investment amount
/Number of projects

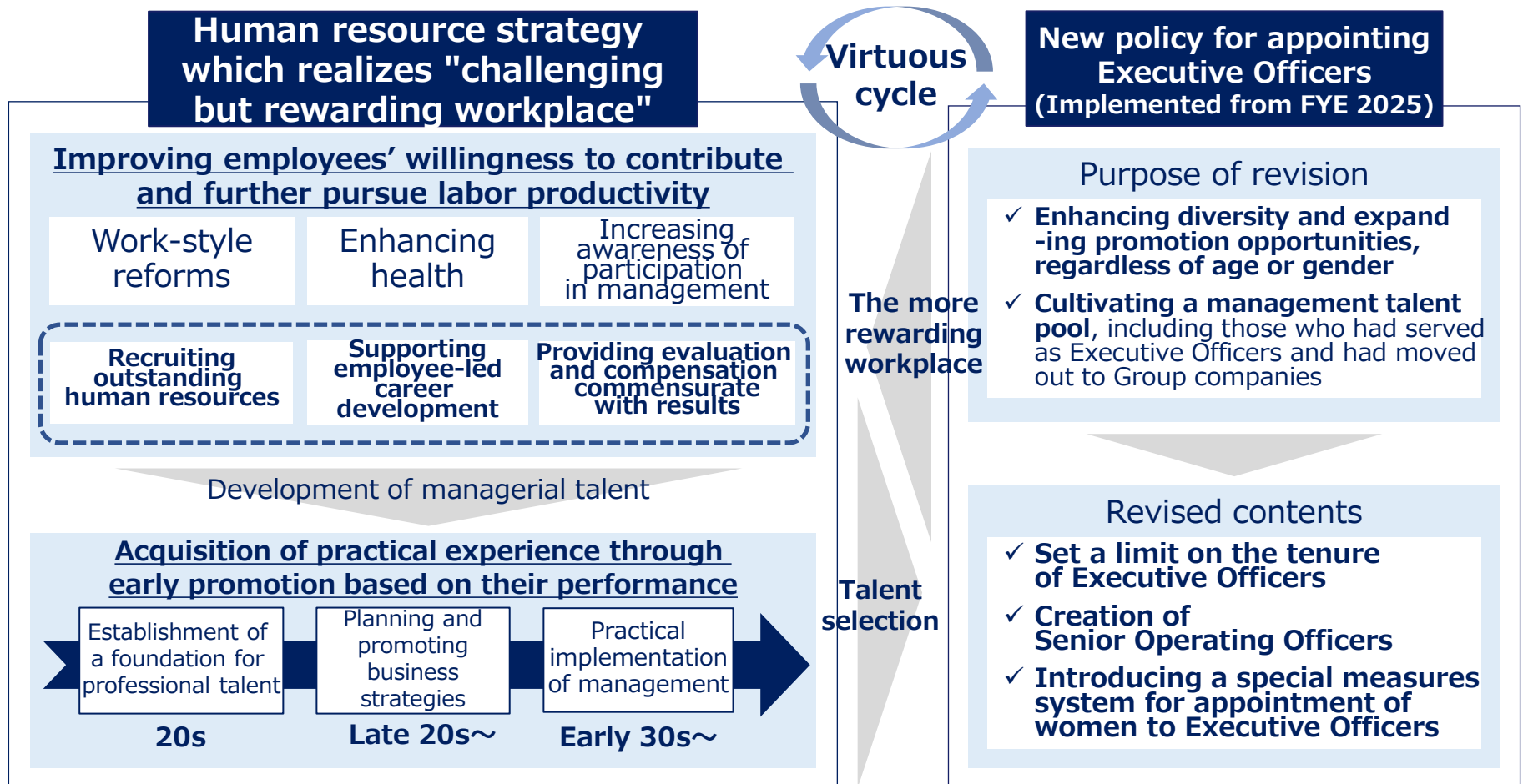
BND 2017	BND 2020	BND 2023	FYE 2025 onwards
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BND 2023	CTC	Additional investment(FYE 2022, 2023) Privatizing(FYE 2024)	725 billion yen /14 projects	
	Hitachi Construction Machinery	Newly investment(FYE 2023)		
	DAIKEN	Privatizing(FYE 2024)		
BND 2020	DESCENTE	Additional investment(FYE 2019)	850 billion yen /10 projects	
	HOKEN NO MADOGUCHI	Conversion into a subsidiary(FYE 2020) Additional investment(FYE 2021)		
	FamilyMart	Conversion into a subsidiary(FYE 2019) Privatizing(FYE 2021)		
BND 2017	CITIC	Newly investment(FYE 2016)	810 billion yen /11 projects	
	YANASE	Conversion into a subsidiary (FYE 2018)		
	North American construction-materials	Acquisition of Alta Forest Products, etc.(FYE 2018)		

【Appendix】 Reinforcement of Human Capital



Create a virtuous cycle of strengthening our human resource strategy by implementing a policy for appointing Executive Officers selected based on their true capabilities.



Continual development of management talent through the establishment of a talent development system and a pool of competent talents

【Appendix】 Strengthening Dialogue with Stakeholders



Strengthening "Communication" and "Dialogue" through distinctive initiatives and achievements, including through unique channels.

Addressing market demands and expectations through dialogues with investors

<Specific measures>

- ✓ Disclosure aligned with market needs through the issuance of comprehensive Annual reports (Integrated reports) and other means
- ✓ Expanding opportunities for dialogue and deepening business understanding through events such as project briefings and facility tours

Market

Understanding and empathy towards our corporate strategy

Sharing examples of implementing innovative and unique initiatives, as well as sharing experiences and knowledge gained

<Specific measures>

- ✓ Proactive disclosure of unique initiatives addressing societal challenges such as work-style reforms
- ✓ Promoting initiatives such as Virtual Office and a special measures system for appointment of women to Executive Officers to support career development

Society

Gaining support from society through efforts to address challenges and find solutions

Expanding our contact points with consumers through unique channels and businesses

<Specific measures>

- ✓ Deployment of unique information-sharing base and tools for dissemination including ITOCHU SDGs STUDIO and "Shonin of the Earth (corporate PR magazine)"
- ✓ Contributing to a better lifestyle through the expansion of consumer-related businesses such as FamilyMart, Dole, and DESCENTE

Consumers

Widespread a corporate image as "a company closely aligned with people's daily lives"

Enhancing brand value through building and accumulating trust from a wide range of stakeholders

【Appendix】 Enhancing Our Contribution to and Engagement with the SDGs through Business Activities



Steadily promoting the basic policies in the previous medium-term management plan “Brand-new Deal 2023.”

Balancing both responding to social demand and business expansion

Sampo-yoshi capitalism

Achieve a decarbonized society ahead of the industry

Basic policy

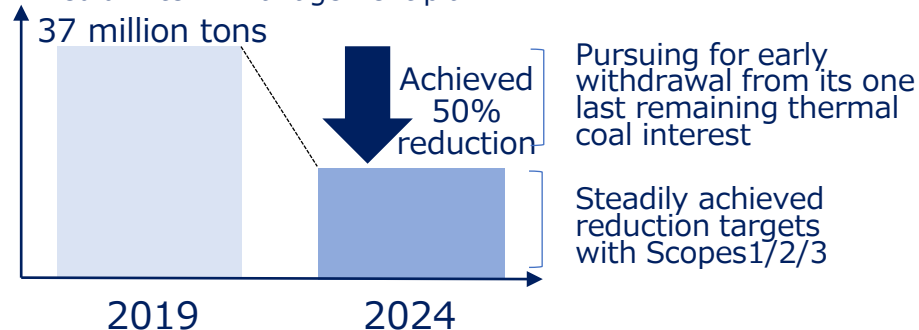
Scopes 1/2/3 + all fossil fuel businesses and interests

Scope of GHG emissions reduction

Maintaining our mindset towards achieving our goals of GHG emissions “net zero by 2050” and “offset zero by 2040,” and reducing emissions from a medium- to long-term perspective through active dialogues with stakeholders involved in supply chains*1

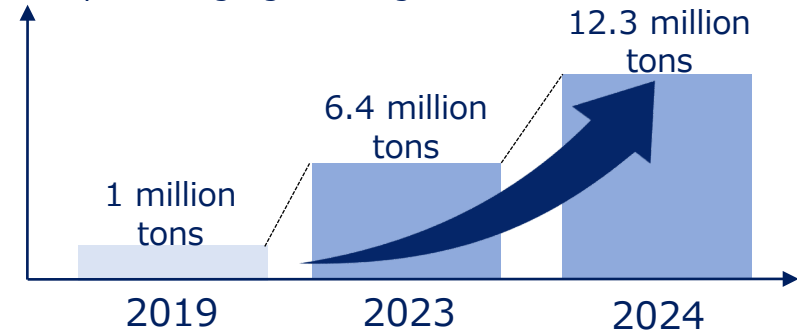
【GHG emissions reduction from fossil fuel businesses and interests】

Reduced by 50% compared with FYE 2019 level
Achieved significant reductions in the period of the previous medium-term management plan



【Progress in accumulating reduction contributions】

The renewable energy-related business*2, which replaces fossil fuels, has been experiencing significant growth



*1 From a medium- to long-term perspective, an industry change centered around improving fuel efficiency and shifting towards EVs in the transportation sector and a transition towards alternative manufacturing methods in manufacturing processes in the sectors such as food, chemicals, and steel manufactures.

*2 Including wind power generation, solar power generation, energy storage systems, SAF, etc.