

Chairman & CEO

Preventative Management that Anticipates the Future

The World Health Organization (WHO) has announced the end of the state of emergency for COVID-19 which spread worldwide since 2020. Japan has also finally downgraded the legal status of COVID-19 to that of a category 5 common infectious disease.

In the spring of 2020, when the unprecedented catastrophe of COVID-19 struck around the world, we were forced to consider how we should respond to this crisis, how to protect our employees and how to continue our business. Because it was an unprecedented catastrophe which no one expected, rather than predicting when it would be over, I thought, as usual, about the area of prevention in our principles of “earn, cut, prevent” and what opportunities would arise from this crisis precisely because we were in such times. I believe prevention does not mean avoiding risks and halting business, but rather preparing in advance how to respond to the greatest risks which may arise and how to reliably proceed with business. Even if a risk emerges, we can ensure the damage from it will not be fatal by putting this prevention into practice on a daily basis.

The origin of ITOCHU’s continued development for more than 160 years is “*Sampo-yoshi*” (good for the buyer, good for the seller and good for society). However, “*Sampo-yoshi*” does not mean trying to please everyone; rather, it means analyzing the risks for all three parties and then taking measures suitable for each of them as soon as possible to achieve stable growth for all. That means it is extremely important to collect information about what is happening in society, what may happen and what the market wants. We then need to uncover opportunities and uncertainties—that is, risks—before taking a thorough response to prevent them.

The experience of being given a room with no toothbrush when I went on a business trip to Europe in 2018 made me strongly aware that the market is changing. We have shifted to a decarbonized society-conscious management and have been focusing increasingly on thermal coal divestment and environmentally-friendly businesses such as storage batteries, cellulose fiber and energy from waste. Changing our company in line with the changes in our customers and society is my concept of a market-orientated approach. We will continue to put “*Sampo-yoshi*” capitalism into practice, valuing all our stakeholders with the aim of achieving further sustainable growth in our corporate value.



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Masahiro Okafuji
Member of the Board
Chairman & Chief Executive Officer